



Jay Nixon, Governor  
Kelvin L. Simmons, Commissioner

# OFFICE of ADMINISTRATION

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## OFFICE OF THE GOVERNOR

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MATT BLUNT  
GOVERNOR

ROOM 216  
STATE CAPITOL  
65101

January 24, 2007

### TO THE GENERAL ASSEMBLY AND THE PEOPLE OF MISSOURI:

When Missourians elected me to serve as Governor, I pledged to work with you to move Missouri in a new direction. Two years later, we have made tremendous strides in fulfilling this pledge to the citizens of our great state. My top priorities continue to be: education; health care reform; economic growth; and government accountability. We have put children first by making education our highest priority. We have implemented policies that are spurring economic growth, allowing the creation and retention of family-supporting jobs. We are working to increase access to affordable, quality health care. We have modernized state government and made it more efficient. The path has not always been easy, but we have changed course to bring the state's priorities together with the people's priorities. For the third year in a row, I present you with a balanced budget; a budget that puts Missouri families first.

With my Fiscal Year 2008 budget, our schools will again receive full funding of the school foundation formula – a good formula that is sensible, equitable, and based on students' needs. We also recognize that higher education is a vital investment in our future. In my budget, our colleges and universities will receive a substantial increase that will be accompanied by a proposal requiring better accountability and performance standards, for those schools.

My budget will make a significant investment in improving Missourians' access to quality health care and reducing the number of uninsured. My budget recommendation includes increased funding to maintain health care coverage for the more than 825,000 Missourians who depend on taxpayers for their health care. I am also proposing funding for the foundation of the new MO HealthNet program to transform Missouri's health care safety net for people with low incomes into a program that delivers better access, better quality and promotes better health to those it serves. I am also recommending \$60 million to fund capital projects for Federally Qualified Health Centers (FQHCs) that will improve access to care for low income, uninsured and rural Missourians. The Fiscal Year 2008 budget continues to emphasize the importance of health care information technology and provides additional funding to ensure the safety of individuals within Missouri's mental health system.

My budget plan is again built on the belief that government, like the citizens it serves, must live within its means. I will continue to work with my cabinet to ensure we are good stewards of tax dollars and that services are delivered in the most effective and efficient manner possible. Finally, I believe state resources have been generated by our pro-jobs, pro-growth economic policies, enabling us to provide tax relief for Missouri seniors by ending the cuts to their Social Security. In addition, I propose a tax deduction for individuals who plan for their future by purchasing long-term care insurance. I look forward to working with everyone to enact my Fiscal Year 2008 budget and accompanying legislative initiatives.

Sincerely,

A handwritten signature of Matt Blunt in black ink.

Matt Blunt

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**HOUSE BILL 21**  
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# THE MISSOURI BUDGET

## FISCAL YEAR 2008

### BUDGET SUMMARY

#### I. OVERVIEW

Governor Blunt's Fiscal Year 2008 budget recommendations sustain his commitment to implement a balanced budget that does not rely on excessive, job-killing tax revenues. Not only does the Governor's budget proposal allow the state to function within its available means, it also preserves over \$200 million of general revenue to fund key priorities, including children's education and health care, in future fiscal years. In addition, the Governor's budget includes a modest tax reform package that reduces state general revenue collections \$102.7 million.

Governor Blunt's Fiscal Year 2008 budget recommendations fund key priorities, including:

- Fully funding the second year of the state's newly crafted foundation formula at nearly \$2.9 billion. This is an increase of \$132.6 million, including \$95.9 million from General Revenue.
- The following as essential components of the vision of the Lewis and Clark Discovery Initiative:
  - ⇒ Quick validation of the Lewis and Clark Discovery Initiative Cooperative Agreement to allow the \$335 million in higher education capital improvement projects to get underway as soon as possible and provide \$15 million for the Missouri Technology Corporation to attract and retain high technology companies and commercialize existing research.

The Governor's budget includes the following items:

- ⇒ \$25 million for Missouri's need-based financial aid programs (included in the Fiscal Year 2007 supplemental budget).
- ⇒ \$3.4 million for expansion of the Primary Care Resource Initiative (PRIMO) Scholarship and Area Health

Education Centers (AHECs) (included in the Fiscal Year 2007 supplemental budget).

- ⇒ \$60 million to provide equipment and infrastructure costs for Federally Qualified Health Centers (FQHCs) throughout the state (included in the Fiscal Year 2007 supplemental budget).
- \$39.5 million increased funding for Missouri's public two- and four-year colleges and universities as well as \$20 million for the state's scholarship programs to ensure that tuition levels are kept at a reasonable level and that Missouri students have access to higher education.
- \$6.4 billion dollars for the Medicaid program. This includes \$857.6 million in new funding, a net increase over Fiscal Year 2007 of \$420.6 million, and allows \$151.1 million for the newly proposed MO HealthNet program.
- \$6.4 million increased funding to support an expected seven ethanol plants and \$28.5 million to support an estimated nine biodiesel plants. Total funding for Missouri ethanol producers will be \$15 million and total funding for Missouri biodiesel producers will be \$33.8 million.
- \$35.7 million for the Life Sciences Research Board to enhance the state's research capacity with a focus on animal health and nutrition, and plant science.
- \$48.4 million increased funding for the Department of Mental Health to meet staffing needs at facilities, address recommendations of the Governor's Mental Health Task Force, and continue support for local community involvement in providing mental health services to Missourians.
- \$16.9 million more dollars to address health care technology initiatives in the Departments of Social Services, Mental Health, and Health and Senior Services. Supporting health care technology is

necessary if Missouri is going to close the digital divide that exists between health care service providers.

- \$411 million to utilize federal funds and bond proceeds made available by passage of Amendment 3, to improve the safety and condition of Missouri roadways and bridges. Additional federal transportation enhancement funding will be available to expand transportation options by adding such things as new bike routes and pedestrian paths. Governor Blunt also supports the Missouri Department of Transportation's "Better Roads, Brighter Future" Program that will bring 85% of Missouri's major highways up to "good" condition by the end of 2011.
- Additional resources to enhance the ability of public safety and emergency response agencies to handle crime, natural disasters, and emergencies. \$8.1 million will be directed toward the first phases of implementing a statewide interoperable radio system to improve communication during emergency situations. An increase of \$500,000 will be provided to local agencies investigating cyber criminals. Additionally, \$1.2 million will be used by the Highway Patrol to improve fingerprint identification processes and staff the Missouri Information Analysis Center. The State Emergency Management Agency will have additional capacity to assist state and local planning agencies with emergency preparedness efforts.
- \$3.5 million to expand criminal laboratory services in Springfield and Jasper County, including \$2.5 million to partner with the city of Springfield to construct and operate a full-service crime lab, and \$1 million to support operations and renovations for a satellite crime lab in Jasper County.
- \$50 million from bond proceeds for grants and loans to Missouri communities for the control of water pollution, and improvements to water supply and sewer systems.
- \$74.8 million, including \$40.4 million general revenue, for a three percent pay increase for all employees and pay adjustments for critical positions with high turnover rates. To deliver high-quality services, the state must be able to compete and maintain qualified, high-performing employees at all levels of government. Governor Blunt is committed to attracting and retaining an experienced,

dedicated, and productive workforce.

- \$15 million, including \$10 million general revenue, to recognize the liability of future retiree health care costs. Pre-funding this liability is key to sound financial management, protects the state's AAA bond rating, and ensures compliance with the Governmental Accounting Standards Board.

## **II. REVIEW OF THE FISCAL YEAR 2007 BUDGET**

After nearly unprecedented revenue growth in Fiscal Year 2006, state revenue collections have continued to grow in Fiscal Year 2007, but at a slower pace. Through the first six months of Fiscal Year 2007, net general revenue collections are up by 4.4 percent. However, while net growth has been boosted by a relative slowdown in refunds paid out early in the year, aggregate gross receipts have been unimpressive. The December revision to the consensus revenue estimate resulted in a slight decrease in estimated growth, dropping to 4.0 percent. Continued strength in individual income tax receipts is expected based on good personal income growth during Calendar Year 2006, but a slowdown in sales and corporate taxes is occurring, and an increase in tax credit redemptions is anticipated. In addition, supplemental appropriations are necessary to absorb some costs that will exceed their original estimates. These include costs to continue quality services at certain state facilities, offset citizens' energy costs through the Utilicare program, and cover increases in the fuel and utility costs of state agencies. However, because of the strength of collections in Fiscal Year 2006, it is unlikely the Governor will need to withhold funds in Fiscal Year 2007 to meet his constitutional obligation to balance the budget.

## **III. THE ECONOMIC OUTLOOK**

### **U.S. Economic Position**

The performance of the U.S. economy in the first half of Calendar Year 2006 was strong, especially considering the skyrocketing energy costs during the first three quarters of the year. However, a substantial deceleration in the national housing market impacted residential construction and related consumer industries,

and cutbacks in U.S. automobile production led to considerable weakness in linked manufacturing industries. Together, these issues helped to cool economic growth to below-average in the second half of 2006. Nevertheless, corporate profits continued to reach all-time highs, and employment in service-producing industries continues to expand.

Employment growth, on a year-over-year basis, has been consistently in the neighborhood of 1.4 percent for the past twelve months, near the high-end of growth over the last decade. The unemployment rate fell to 4.5 percent in December, and personal income continued its strong growth during the past year. Nominal consumer spending continues to increase at high rates but has cooled in recent quarters. Inflation rates, buoyed by rising energy prices, tightening labor markets, and continued healthy consumer demand, are among the highest rates seen over the last ten years.

The U.S. economy will continue to grow moderately in Calendar Year 2007. However, the upcoming path of growth may be bumpier than in recent quarters, which is typical when the economic cycle reaches a turning point. The concurrent economic drags in housing and vehicle production are believed to be temporary inventory corrections. However, these corrections may take several quarters to adjust.

For Calendar Year 2007, real GDP is expected to rise by only 2.5 percent, not returning to “trend” growth near 3 percent until late in the year. Employment is expected to grow by about 1.2 million jobs, or an average of 0.8 percent, but unemployment is projected to return to near 5 percent. Personal income growth is expected to slow to 5.6 percent, as salary growth cools to 4.9 percent. Nominal consumer expenditures are anticipated to increase by 5.1 percent, but much of this increase is due to relatively high prices for gasoline and other energy products. The inflation rate as measured by the Consumer Price Index is expected to fade to 2.0 percent in 2007 as economic growth slows. However, core inflation (which excludes volatile food and energy prices) will be higher, at 2.6 percent. The Federal Reserve is becoming more comfortable being idle; until compelling evidence of an economic slowdown is shown in their data, they are expected to hold interest rates steady to ward off core inflation forces.

Corporate profits will cool from record highs to growth rates in the low single-digits, as cost pressures from energy prices, higher interest rates, and a tight labor market mount. These overall trends should give way to growth rates closer to historical averages in 2008.

The generally favorable outlook is supported by the following factors:

- Energy prices have declined from recent run-ups, and are projected to remain in a range similar to that seen over the last several months.
- Interest rates are likely near their peak, and may be reduced later in 2007.
- Consumers continue to spend, albeit at a slower pace.
- The slowdown in residential investment, a result of aggressive investment while interest rates were favorable, will correct itself as housing inventories are reduced.
- Equity markets continue to soar on sustained corporate profits, pointing to strong dividend payouts and capital gains.
- The global economy continues to expand, driven by growing domestic demand within overseas economies as well as exports to the U.S. Therefore, net exports from the U.S. are expected to increase moderately as a weaker dollar makes U.S. goods and services abroad more affordable.

While continued economic growth is predicted, considerable downside risks remain:

- Energy prices are perpetually volatile. The nation's energy infrastructure, though not impacted by hurricanes this past year, continues to be utilized near maximum capacity. Demand for oil in developing nations continues to rise. Although oil prices have declined, and are expected to increase only slightly over the next couple of years, recent history has demonstrated that unexpected supply or demand issues could trigger a significant price rebound.
- Despite the latest data showing that price growth may be slowing, it is still quite possible the rise in core inflation will continue, and interest rates will rise in response. Since rates are already at levels considered moderately restrictive, further increases would dampen business investment and consumption.
- Consumer spending may slow as the “wealth effect” created by rising housing prices diminishes. Higher interest rates,

| Economic Projections  |                           |             |             |
|-----------------------|---------------------------|-------------|-------------|
|                       | Increase by Calendar Year |             |             |
| <u>U.S.</u>           | <u>2006</u>               | <u>2007</u> | <u>2008</u> |
| Real GDP              | 3.3 %                     | 2.5 %       | 3.2 %       |
| Total Employment      | 1.4 %                     | 0.8 %       | 1.0 %       |
| Unemployment Rate     | 4.7 %                     | 5.0 %       | 5.1 %       |
| Personal Income       | 6.4 %                     | 5.6 %       | 5.5 %       |
| Consumer Expenditures | 6.0 %                     | 5.1 %       | 5.2 %       |
| Consumer Prices       | 3.2 %                     | 2.0 %       | 2.5 %       |
| <br><u>MISSOURI</u>   |                           |             |             |
| Total Employment      | 1.1 %                     | 0.8 %       | 0.8 %       |
| Personal Income       | 5.8 %                     | 4.5 %       | 4.4 %       |

combined with the increased debt consumers have assumed over the past several years, may make further spending daunting. Additionally, interest rates that are stable at relatively high levels make saving more desirable, which could dampen the economy in the near-term.

- The housing market remains at risk from higher interest rates as well. During the recent residential build-up, investors took advantage of numerous new types of exotic mortgages with back-loaded payments. Now, payments are coming due at interest rates much higher than when the loans were established. Higher loan payments will further burden overextended consumers. An increase in delinquencies and foreclosures is expected.
- Recent gains in equity markets appear to be driven somewhat by the belief that interest rate increases are a thing of the past. If the Federal Reserve decides that inflation remains a bigger risk than the softening economy and raises target rates, a sharp equity sell-off could occur, placing further drag on household wealth and consumer spending.
- Global economics could diminish growth in the U.S. The trade deficit between the U.S. and its partners continues to grow. Should foreign investment in the U.S. wane, a slow-down in U.S. growth could occur.

- The possibility of an act of violence against U.S. economic interests cannot be ignored as numerous geopolitical issues remain unsettled.

#### Missouri Economic Position

The Missouri economy, like that of the nation, continued to grow in Calendar Year 2006, but has come against strong headwinds in recent months. After peaking at pre-recessionary levels in the summer, the slowdowns in residential construction and automobile manufacturing reduced Missouri employment through the autumn. According to U.S. Bureau of Labor Statistics data, between November 2005 and November 2006, 8,000 jobs were lost in motor vehicle and transportation equipment manufacturing, a reduction of 11 percent. Conversely, the state gained 18,400 private service-producing jobs over the same period. Through December 2006, the state had gained 22,400 jobs over the previous twelve months (a growth of 1.0 percent) and 53,500 jobs since January 2005. Despite this churning in the job market, on a year-over-year basis, personal income growth during Calendar Year 2006 is projected to be 5.8 percent, which is above average.

Missouri's economic outlook over the next two years is similar to that of the nation, but is weighed down by recent restructurings and the general outlook in the automotive industry. Employment in the construction industry should

stabilize, while growth will continue in the service sectors. Overall employment growth of 0.8 percent is expected annually. Personal income growth will continue at rates closer to historical averages, around 4.5 percent in 2007, and 4.4 percent in 2008. Risks to this outlook include an exacerbated slowdown in vehicle manufacturing, slower consumer spending as a result of higher energy prices and interest rates, and reduced output in industries with high energy demands.

#### **IV. REVENUE PROJECTIONS FOR FISCAL YEARS 2007 AND 2008**

Revenue forecasting is challenging under the best of circumstances. When uncertainties cloud the economic forecast, the undertaking becomes even more difficult. Dynamic energy prices and the anxieties they create further complicate this issue. Nonetheless, the state must move ahead with its budget based on the best available economic information. Governor Blunt is committed to working constructively with members of the General Assembly to ensure the state follows sound budget policies. As a first step, the Governor worked with legislative leaders to develop a consensus revenue estimate.

General revenue growth slightly below long-term averages is expected in the coming Fiscal Year. The revised Fiscal Year 2007 and initial Fiscal Year 2008 revenue estimates project net growth of 4.0 percent and 3.8 percent, respectively. Growth in individual income tax receipts is expected to remain strong and may be boosted further as a result of mounting equity gains. However, the slowdown in residential investment is expected to dampen consumer spending on taxable items, which is already slowing as consumers reduce debt loads, return to saving, and increase Internet purchases. The deceleration in corporate profit growth will likely cool corporate income tax collections. Further, favorable economic conditions spurred significant capital investment that was eligible for tax credits over the last two calendar years. Many of these tax credits are expected to be redeemed within the next two fiscal years. Finally, the continued implementation of the 2004 transportation ballot initiative, Constitutional Amendment No. 3, will impact Fiscal Years 2007 and 2008, lowering general revenue collections by an estimated \$25 million annually.

#### **V. REVENUE LIMITATION AMENDMENT**

Article X of the Missouri Constitution establishes a revenue and spending limit on state government. The limit is about 5.6 percent of Missouri personal income, based on the relationship between personal income and total state revenues when the limit was established and approved by voters in November 1980. Calculations made pursuant to Article X of the Missouri Constitution show that total state revenues for Fiscal Year 2006 were below the total state revenue limit by nearly \$1.4 billion.

The Office of Administration projects that total state revenues will not exceed the total state revenue limit in Fiscal Years 2007 or 2008. These preliminary calculations are subject to change as actual state revenue collections become known and as the federal government revises its estimates of Missouri personal income. These projections could change if the General Assembly were to pass legislation to increase revenue without a vote of the people. Per Article X of the Missouri Constitution, revenue approved by the voters is not subject to the revenue and spending limit.

Article X, Section 18(e), of the Missouri Constitution imposes an additional revenue limit, which states the General Assembly shall not increase taxes or fees in any fiscal year without voter approval that in total produce new annual revenues greater than \$50 million adjusted annually by the percentage change in the personal income of Missouri for the second previous year, or one percent of total state revenues for the second fiscal year prior to the general assembly's action, whichever is less. New annual revenues are the net increases in annual revenues produced by the total of all tax or fee increases by the General Assembly in a fiscal year, less refunds and all contemporaneously occurring tax or fee reductions in that same fiscal year.

For Fiscal Year 2006 these limits are calculated at \$81 million for the personal income amount and \$77.2 million for the one percent of total state revenues amount. Legislative actions in the 2006 session resulted in a reduction of \$22.1 million in state revenues, which is significantly below the constitutional limit.

For Fiscal Year 2007, the limits are calculated at \$84.3 million for the personal income



amount and \$80.9 million for the one percent of total state revenues amount.

## VI. TAX REFORM AND RELIEF FOR MISSOURI CITIZENS AND BUSINESSES

One of Governor Blunt's key legislative priorities this session includes providing tax relief for Missouri citizens and businesses. Because of the economic growth that has occurred during Governor Blunt's tenure, state general revenues have grown at historically high rates. Further, sound fiscal practices adopted by the Governor and General Assembly have resulted in available revenues beyond those needed to fund the budget. Allowing Missourians to keep more of their income will help ensure long-term economic growth for the state. The Governor recommends \$102.7 million in relief for Missouri taxpayers.

Governor Blunt proposes the following reductions, which total \$132.7 million:

- Exempt Social Security Benefits from Income Tax – \$100 million. This proposal exempts all social security retirement benefits and replacement programs from Missouri income tax. Since Missouri taxable income is derived from Federal Adjusted Gross income, benefits are subject to Missouri tax to the extent they are subject to federal tax. Generally, social security benefits are not taxed in Missouri if the taxpayer's total income is under \$32,000 for joint filers, or \$25,000 for single filers.
- Raise Corporate Franchise Tax Threshold – \$14 million. This antiquated tax on business assets is collected in addition to corporate income tax. This proposal raises the threshold from \$1 million to \$15 million, if the business meets the health care provisions outlined in the Quality Jobs Act. Raising the threshold will assist many small businesses by reducing their tax burden and simplifying tax preparation. Further, this proposal will make the state more attractive to firms considering expansion.
- Increase the Cap on the Quality Jobs Program – \$12 million. Governor Blunt's signature job creation program has proven to be both highly popular and a successful economic development tool since its inception in 2005. However, the program

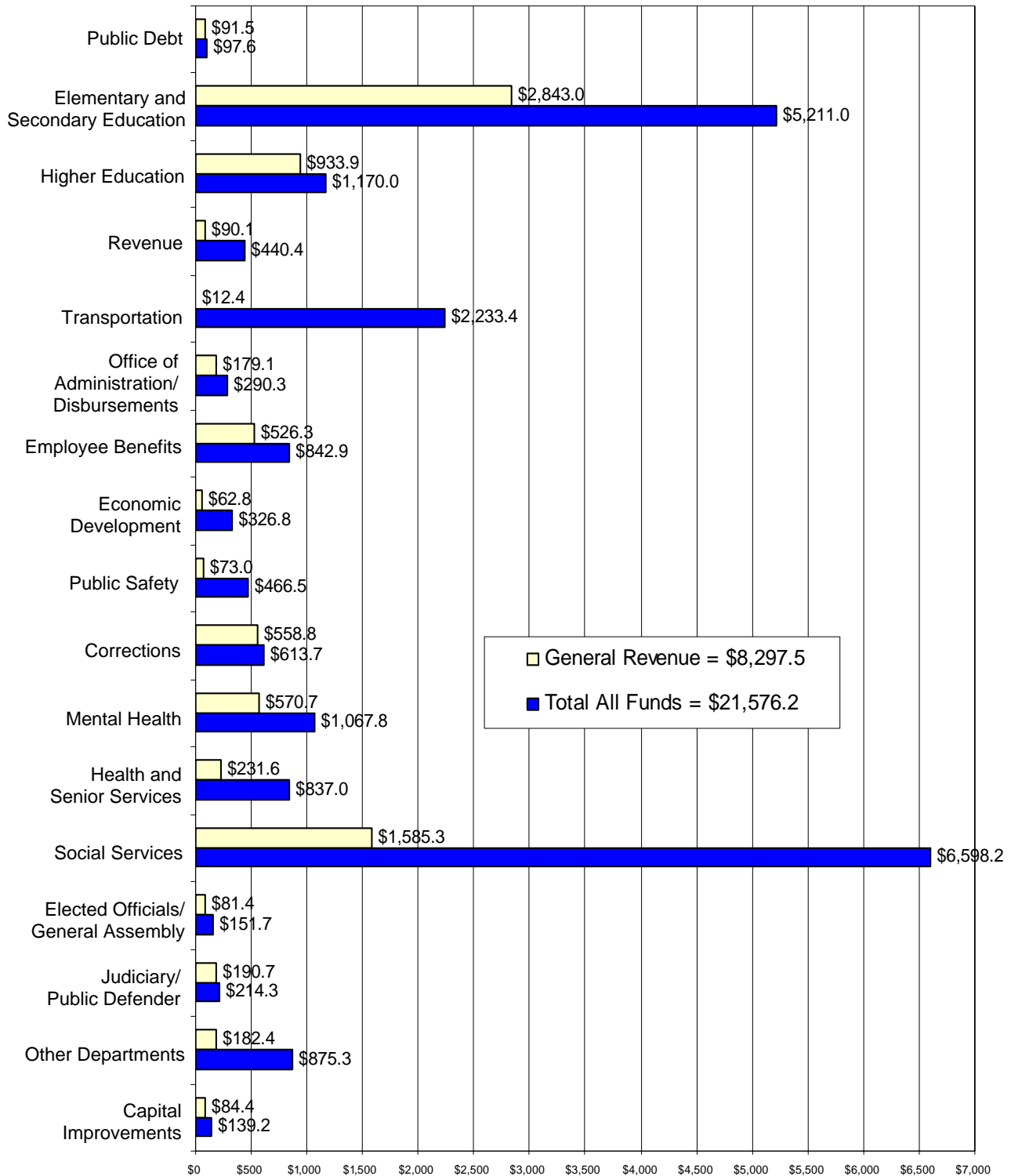
has exhausted its available incentives. In order to continue attracting and retaining family-supporting jobs, the program cap should be raised.

- Increase the Cap on the Missouri Agricultural and Small Business Development Authority Tax Credits – \$4 million. The current expansion of ethanol and biodiesel projects is expected to completely absorb the credits available for this program. In order to support the development of other important value-added agricultural businesses, the cap on this program should be raised.
- Increase the Long-Term Care Insurance Deduction – \$2.7 million. Currently, 50 percent of certain premiums paid for long-term care insurance is deductible from Missouri individual taxable income. This proposal would make 100 percent of these premiums deductible, and will encourage Missourians to make health care a personal responsibility.

In light of recent court decisions, Governor Blunt recommends the following tax changes:

- Correcting Missouri Sales Tax Law – \$30 million. This proposal restores the original legislative intent to the manufacturing exemption and the rental definition of Missouri sales tax law. Recent Missouri Supreme Court decisions have applied two sales tax exemptions very broadly. First, the exemption for equipment, machinery, and supplies used to manufacture products has been extended to telephone calls and financial information. In addition, current law does not clearly permit the Department of Revenue to apportion taxation where a piece of equipment is used for taxable and non-taxable purposes. Thus, companies may claim that equipment is fully exempt when its manufacturing use may be less than 20 percent of its full usage. Second, the state's ability to collect sales/use tax on rental transactions has been weakened by decisions adopting a strained interpretation of the state tax term "lease."

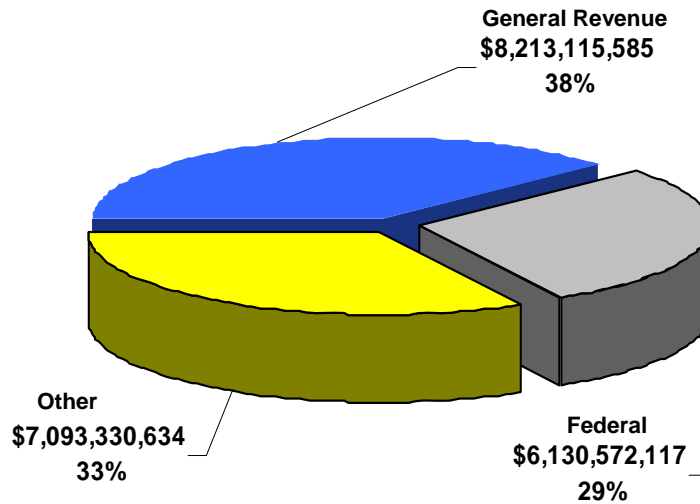
## FY 2008 BUDGET RECOMMENDATIONS



## FY 2008 TOTAL OPERATING BUDGET

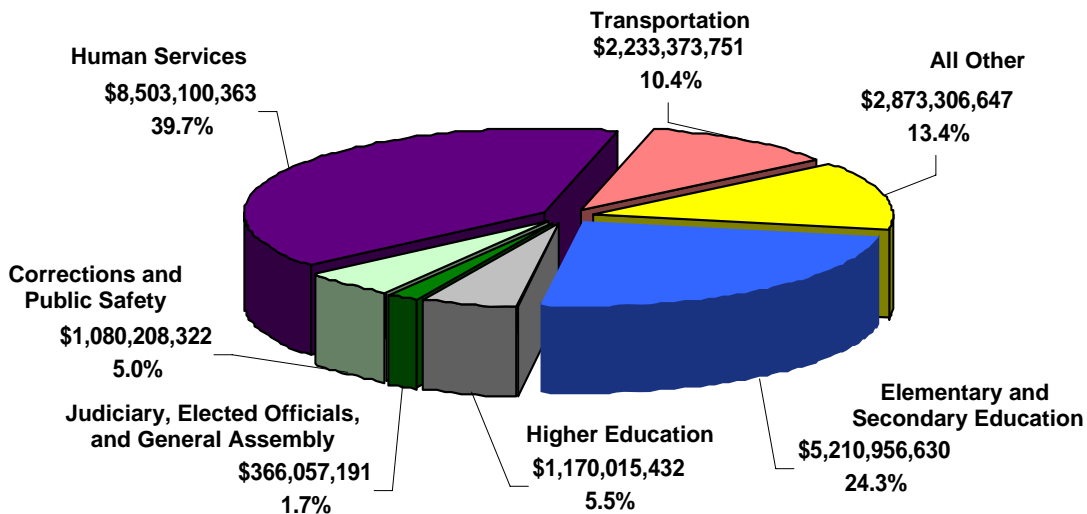
### SOURCES OF FUNDS

Total Funds\* \$21,437,018,336



### GOVERNOR'S RECOMMENDED OPERATING BUDGET- ALL FUNDS

Total Appropriations\* \$21,437,018,336



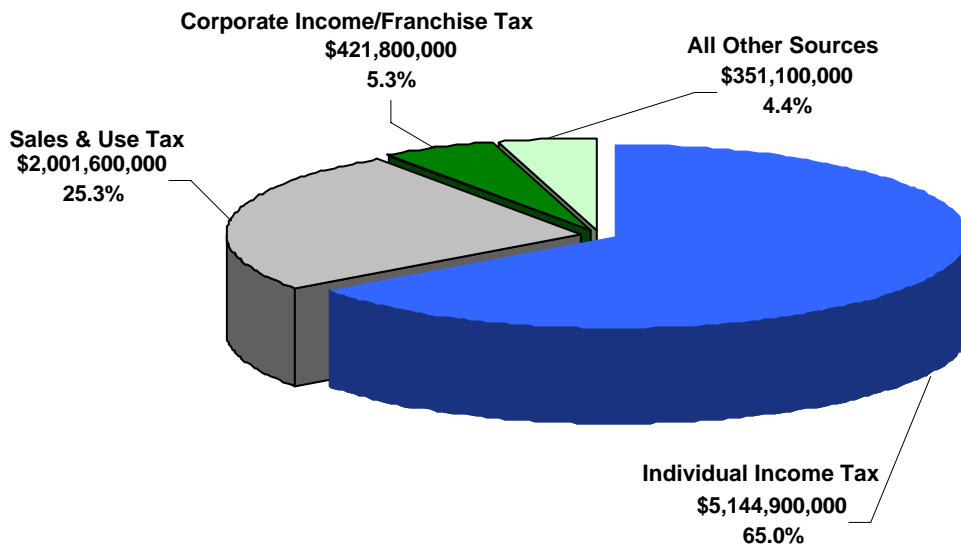
\*Excludes refunds

## GENERAL REVENUE RECEIPTS AND ESTIMATES

|                                       | <b>Actual<br/>Receipts<br/>FY 2006</b> | <b>Consensus<br/>Estimate<br/>FY 2007</b> | <b>Consensus<br/>Estimate<br/>FY 2008</b> |
|---------------------------------------|--|---|---|
| <b><u>Collections</u></b>             |  |   |   |
| Individual Income Tax                 | \$ 5,352,025,061                       | \$ 5,688,600,000                          | \$ 6,021,900,000                          |
| Sales and Use Tax                     | 1,993,130,786                          | 2,036,900,000                             | 2,081,600,000                             |
| Corporate Income/Franchise Tax        | 606,668,448                            | 597,600,000                               | 615,800,000                               |
| County Foreign Insurance Tax          | 189,664,672                            | 200,000,000                               | 207,000,000                               |
| Liquor Tax                            | 24,018,327                             | 25,300,000                                | 26,000,000                                |
| Beer Tax                              | 8,416,378                              | 8,500,000                                 | 8,600,000                                 |
| Inheritance/Estate Tax                | 15,569,883                             | 2,400,000                                 | 0   |
| Interest on Deposits and Investments  | 35,403,330                             | 43,000,000                                | 44,500,000                                |
| Federal Reimbursements                | 89,020,627                             | 77,300,000                                | 74,500,000                                |
| All Other Sources                     | <u>147,220,373</u>                     | <u>139,500,000</u>                        | <u>139,500,000</u>                        |
| <br>Total General Revenue Collections | <br>8,461,137,885                      | <br>8,819,100,000                         | <br>9,219,400,000                         |
| <br>Refunds                           | <br><u>(1,128,904,333)</u>             | <br><u>(1,192,000,000)</u>                | <br><u>(1,300,000,000)</u>                |
| <br>Net General Revenue Collections   | <br>\$ 7,332,233,552                   | <br>\$ 7,627,100,000                      | <br>\$ 7,919,400,000                      |
| <br>Net Growth Rate                   |  | 4.0%                                      | 3.8%                                      |

### FY 2008 CONSENSUS REVENUE ESTIMATE

Net General Revenue \$7,919,400,000



## GENERAL REVENUE SUMMARY

### RESOURCES

|                                 | FY 2006          | FY 2007          | FY 2008          |
|---------------------------------|------------------|------------------|------------------|
| Beginning Balance               | \$ 185,631,922   | \$ 600,630,793   | \$ 515,859,612   |
| Previous Year's Lapse (1)       | 114,671,416      | 94,700,436       | 111,300,000      |
| Revenue Collections             | 8,461,137,885    | 8,795,100,000    | 9,219,400,000    |
| Governor's Proposed Tax Changes | 0                | 0                | (102,700,000)    |
| Refunds                         | (1,128,904,333)  | (1,168,000,000)  | (1,300,000,000)  |
| Transfers to Fund               | 188,063,660      | 192,800,000      | 150,200,000      |
| Total Resources Available       | \$ 7,820,600,550 | \$ 8,515,231,229 | \$ 8,594,059,612 |

### OBLIGATIONS

|  |                  |                  |                  |
|--|------------------|------------------|------------------|
| Operating Appropriations                           | \$ 7,138,727,756 | \$ 7,721,701,972 | \$ 8,213,115,585 |
| Capital Improvements Appropriations                | 32,655,015       | 73,727,987       | 84,380,958       |
| Confirmed Lapse                                    | (68,777,548)     | 0                | 0                |
| Allowance for Citizens' Commission Recommendations | 0                | 0                | 6,479,859        |
| Supplementals                                      | 59,449,352       | 121,514,010      | 50,000,000       |
| Increased Estimates                                | 57,915,182       | 82,427,648       | 40,000,000       |
| Total Obligations                                  | 7,219,969,757    | 7,999,371,617    | 8,393,976,402    |

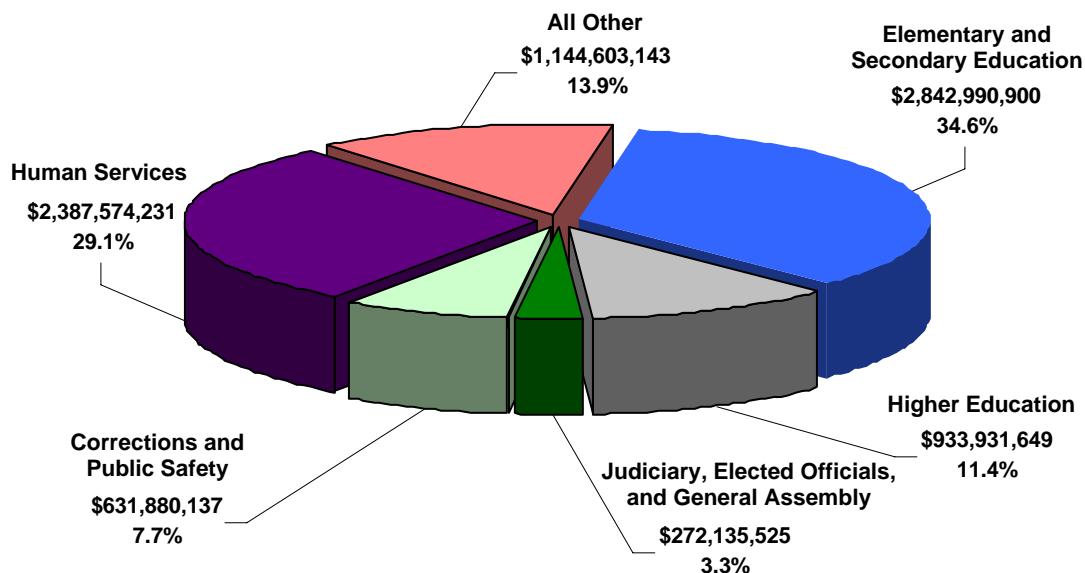
|                |                |                |                |
|----------------|----------------|----------------|----------------|
| Ending Balance | \$ 600,630,793 | \$ 515,859,612 | \$ 200,083,210 |
|----------------|----------------|----------------|----------------|

### NOTES TO GENERAL REVENUE SUMMARY

(1) Unexpended appropriations are counted as a resource in the next fiscal year to avoid premature commitment of uncertain resources until actual lapses are known. This includes reserves authorized by Section 33.290, RSMo.

## GOVERNOR'S RECOMMENDED OPERATING BUDGET - GENERAL REVENUE

Total Appropriations\* \$8,213,115,585



\*Excludes refunds

FY 2008 OPERATING AND CAPITAL BUDGET SUMMARY

| House<br>Bill   | FY 2006<br>Expenditure | FY 2007<br>Appropriation | Governor's<br>Recommendation<br>FY 2008 |
|---|------------------------|--------------------------|---|
| <b>1    <u>Public Debt</u></b>                        |                        |                          |   |
| General Revenue                                       | \$ 68,207,584          | \$ 91,358,692            | \$ 91,464,696                           |
| Federal Funds   | 0                      | 0                        | 0                                       |
| Other Funds   | 980,825                | 6,287,634                | 6,155,798                               |
| Total   | \$ 69,188,409          | \$ 97,646,326            | \$ 97,620,494                           |
| <b>2    <u>Elementary and Secondary Education</u></b> |                        |                          |   |
| General Revenue                                       | \$ 2,564,869,759       | \$ 2,739,824,155         | \$ 2,842,990,900                        |
| Federal Funds   | 851,869,621            | 939,524,896              | 956,462,095                             |
| Other Funds   | 1,334,292,956          | 1,337,181,733            | 1,411,503,635                           |
| Total   | \$ 4,751,032,336       | \$ 5,016,530,784         | \$ 5,210,956,630                        |
| <b>3    <u>Higher Education</u></b>                   |                        |                          |   |
| General Revenue                                       | \$ 831,264,897         | \$ 879,356,731           | \$ 933,931,649                          |
| Federal Funds   | 2,661,494              | 6,468,111                | 6,482,693                               |
| Other Funds   | 169,475,019            | 182,792,028              | 229,601,090                             |
| Total   | \$ 1,003,401,410       | \$ 1,068,616,870         | \$ 1,170,015,432                        |
| <b>4    <u>Revenue</u></b>                            |                        |                          |   |
| General Revenue                                       | \$ 90,046,098          | \$ 85,437,324            | \$ 90,103,799                           |
| Federal Funds   | 5,012,820              | 6,404,905                | 6,411,958                               |
| Other Funds   | 353,684,526            | 320,377,203              | 343,911,546                             |
| Total   | \$ 448,743,444         | \$ 412,219,432           | \$ 440,427,303                          |
| <b>4    <u>Transportation</u></b>                     |                        |                          |   |
| General Revenue                                       | \$ 11,476,821          | \$ 11,859,321            | \$ 12,409,321                           |
| Federal Funds   | 67,253,324             | 53,751,383               | 59,729,150                              |
| Other Funds   | 2,015,926,284          | 2,555,849,644            | 2,161,235,280                           |
| Total   | \$ 2,094,656,429       | \$ 2,621,460,348         | \$ 2,233,373,751                        |
| <b>5    <u>Office of Administration</u></b>           |                        |                          |   |
| General Revenue                                       | \$ 162,794,441         | \$ 170,700,804           | \$ 179,081,505                          |
| Federal Funds   | 6,226,469              | 76,306,928               | 74,978,156                              |
| Other Funds   | 14,985,535             | 28,871,430               | 36,260,668                              |
| Total   | \$ 184,006,445         | \$ 275,879,162           | \$ 290,320,329                          |
| <b>5    <u>Employee Benefits</u></b>                  |                        |                          |   |
| General Revenue                                       | \$ 476,514,858         | \$ 510,411,801           | \$ 526,349,089                          |
| Federal Funds   | 134,752,988            | 160,837,877              | 164,654,970                             |
| Other Funds   | 122,647,377            | 144,728,612              | 151,857,232                             |
| Total   | \$ 733,915,223         | \$ 815,978,290           | \$ 842,861,291                          |
| <b>6    <u>Agriculture</u></b>                        |                        |                          |   |
| General Revenue                                       | \$ 16,252,834          | \$ 22,832,655            | \$ 59,286,714                           |
| Federal Funds   | 1,864,911              | 4,933,906                | 4,742,270                               |
| Other Funds   | 10,470,071             | 14,925,244               | 14,194,369                              |
| Total   | \$ 28,587,816          | \$ 42,691,805            | \$ 78,223,353                           |

FY 2008 OPERATING AND CAPITAL BUDGET SUMMARY

| House<br><u>Bill</u>  | FY 2006<br><u>Expenditure</u> | FY 2007<br><u>Appropriation</u> | Governor's<br>Recommendation<br><u>FY 2008</u> |
|---|-------------------------------|---------------------------------|--|
| <b>6</b> <b><u>Natural Resources</u></b>                                |                               |                                 |  |
| General Revenue   | \$ 6,378,607                  | \$ 10,047,582                   | \$ 12,093,469                                  |
| Federal Funds   | 34,327,818                    | 42,796,822                      | 43,242,217                                     |
| Other Funds   | 266,639,064                   | 270,789,147                     | 271,959,475                                    |
| Total   | \$ 307,345,489                | \$ 323,633,551                  | \$ 327,295,161                                 |
| <b>6</b> <b><u>Conservation</u></b>                                     |                               |                                 |  |
| General Revenue   | \$ 0                          | \$ 0                            | \$ 0   |
| Federal Funds   | 0                             | 0                               | 0  |
| Other Funds   | 127,567,790                   | 141,048,873                     | 143,254,143                                    |
| Total   | \$ 127,567,790                | \$ 141,048,873                  | \$ 143,254,143                                 |
| <b>7</b> <b><u>Economic Development</u></b>                             |                               |                                 |  |
| General Revenue   | \$ 34,752,844                 | \$ 43,885,380                   | \$ 62,782,990                                  |
| Federal Funds   | 133,858,300                   | 158,714,384                     | 169,435,600                                    |
| Other Funds   | 30,734,654                    | 58,515,451                      | 94,560,485                                     |
| Total   | \$ 199,345,798                | \$ 261,115,215                  | \$ 326,779,075                                 |
| <b>7</b> <b><u>Insurance, Financial and Professional Regulation</u></b> |                               |                                 |  |
| General Revenue   | \$ 0                          | \$ 0                            | \$ 0   |
| Federal Funds   | 558,594                       | 600,000                         | 600,000  |
| Other Funds   | 28,107,710                    | 34,031,104                      | 35,033,466                                     |
| Total   | \$ 28,666,304                 | \$ 34,631,104                   | \$ 35,633,466                                  |
| <b>7</b> <b><u>Labor and Industrial Relations</u></b>                   |                               |                                 |  |
| General Revenue   | \$ 2,404,167                  | \$ 2,462,141                    | \$ 2,514,130                                   |
| Federal Funds   | 42,974,397                    | 55,793,665                      | 52,941,570                                     |
| Other Funds   | 95,779,788                    | 95,166,771                      | 89,769,773                                     |
| Total   | \$ 141,158,352                | \$ 153,422,577                  | \$ 145,225,473                                 |
| <b>8</b> <b><u>Public Safety</u></b>                                    |                               |                                 |  |
| General Revenue   | \$ 69,367,711                 | \$ 63,966,596                   | \$ 73,038,253                                  |
| Federal Funds   | 115,599,813                   | 81,482,031                      | 114,796,386                                    |
| Other Funds   | 224,594,129                   | 275,041,211                     | 278,667,145                                    |
| Total   | \$ 409,561,653                | \$ 420,489,838                  | \$ 466,501,784                                 |
| <b>9</b> <b><u>Corrections</u></b>                                      |                               |                                 |  |
| General Revenue   | \$ 506,016,408                | \$ 586,127,292                  | \$ 558,841,884                                 |
| Federal Funds   | 4,479,859                     | 8,587,041                       | 7,468,169                                      |
| Other Funds   | 27,645,437                    | 43,632,887                      | 47,396,485                                     |
| Total   | \$ 538,141,704                | \$ 638,347,220                  | \$ 613,706,538                                 |
| <b>10</b> <b><u>Mental Health</u></b>                                   |                               |                                 |  |
| General Revenue   | \$ 524,314,568                | \$ 554,004,413                  | \$ 570,676,345                                 |
| Federal Funds   | 405,125,432                   | 451,928,567                     | 459,428,398                                    |
| Other Funds   | 33,434,220                    | 39,079,337                      | 37,713,533                                     |
| Total   | \$ 962,874,220                | \$ 1,045,012,317                | \$ 1,067,818,276                               |

FY 2008 OPERATING AND CAPITAL BUDGET SUMMARY

| House<br>Bill |  | FY 2006<br>Expenditure | FY 2007<br>Appropriation | Governor's<br>Recommendation<br>FY 2008 |
|---------------|--|------------------------|--------------------------|---|
| 10            | <b><u>Health and Senior Services</u></b>   |                        |                          |   |
|               | General Revenue                            | \$ 205,719,205         | \$ 228,301,096           | \$ 231,572,918                          |
|               | Federal Funds                              | 511,193,034            | 567,288,385              | 576,810,056                             |
|               | Other Funds                                | 27,180,129             | 26,767,085               | 28,659,129                              |
|               | Total                                      | \$ 744,092,368         | \$ 822,356,566           | \$ 837,042,103                          |
| 11            | <b><u>Social Services</u></b>              |                        |                          |   |
|               | General Revenue                            | \$ 1,252,305,354       | \$ 1,415,767,492         | \$ 1,585,324,968                        |
|               | Federal Funds                              | 3,092,663,992          | 3,439,130,872            | 3,375,124,515                           |
|               | Other Funds                                | 1,641,279,745          | 1,322,144,638            | 1,637,790,501                           |
|               | Total                                      | \$ 5,986,249,091       | \$ 6,177,043,002         | \$ 6,598,239,984                        |
| 12            | <b><u>Elected Officials</u></b>            |                        |                          |   |
|               | General Revenue                            | \$ 47,950,908          | \$ 46,224,199            | \$ 48,435,005                           |
|               | Federal Funds                              | 30,621,697             | 38,181,093               | 23,358,160                              |
|               | Other Funds                                | 36,753,686             | 45,933,279               | 46,745,482                              |
|               | Total                                      | \$ 115,326,291         | \$ 130,338,571           | \$ 118,538,647                          |
| 12            | <b><u>Judiciary</u></b>                    |                        |                          |   |
|               | General Revenue                            | \$ 140,269,453         | \$ 155,267,876           | \$ 159,174,952                          |
|               | Federal Funds                              | 8,385,862              | 9,700,642                | 10,284,578                              |
|               | Other Funds                                | 8,817,536              | 10,279,339               | 10,237,705                              |
|               | Total                                      | \$ 157,472,851         | \$ 175,247,857           | \$ 179,697,235                          |
| 12            | <b><u>Public Defender</u></b>              |                        |                          |   |
|               | General Revenue                            | \$ 28,462,879          | \$ 30,337,822            | \$ 31,530,606                           |
|               | Federal Funds                              | 0                      | 125,000                  | 125,000                                 |
|               | Other Funds                                | 1,205,707              | 1,972,829                | 2,976,491                               |
|               | Total                                      | \$ 29,668,586          | \$ 32,435,651            | \$ 34,632,097                           |
| 12            | <b><u>General Assembly</u></b>             |                        |                          |   |
|               | General Revenue                            | \$ 29,812,209          | \$ 32,300,398            | \$ 32,994,962                           |
|               | Federal Funds                              | 0                      | 0                        | 0                                       |
|               | Other Funds                                | 149,144                | 193,567                  | 194,250                                 |
|               | Total                                      | \$ 29,961,353          | \$ 32,493,965            | \$ 33,189,212                           |
| 13            | <b><u>Statewide Leasing</u></b>            |                        |                          |   |
|               | General Revenue                            | \$ 35,506,075          | \$ 41,228,202            | \$ 108,517,430                          |
|               | Federal Funds                              | 12,716,059             | 20,006,708               | 23,496,176                              |
|               | Other Funds                                | 4,634,290              | 9,065,212                | 13,652,953                              |
|               | Total                                      | \$ 52,856,424          | \$ 70,300,122            | \$ 145,666,559                          |
| 14            | <b><u>Supplemental Recommendations</u></b> |                        |                          |   |
|               | General Revenue                            |                        | \$ 35,130,195            |   |
|               | Federal Funds                              |                        | 9,107,945                |   |
|               | Other Funds                                |                        | 91,343,894               |   |
|               | Total                                      |                        | \$ 135,582,034           |   |



FY 2008 OPERATING AND CAPITAL BUDGET SUMMARY

| House<br>Bill   | FY 2006<br>Expenditure  | FY 2007<br>Appropriation | Governor's<br>Recommendation<br>FY 2008 |
|-----------------|---|--------------------------|---|
| <b>15</b>       | <b><u>Supplemental Recommendations</u></b>                      |                          |   |
| General Revenue |   | \$ 6,317,148             |   |
| Federal Funds   |   | 0                        |   |
| Other Funds     |   | 6,317,148                |   |
| Total           |   | \$ 12,634,296            |   |
| <b>16</b>       | <b><u>Supplemental Recommendations</u></b>                      |                          |   |
| General Revenue |   | \$ 80,066,667            |   |
| Federal Funds   |   | 0                        |   |
| Other Funds     |   | 33,333,333               |   |
| Total           |   | \$ 113,400,000           |   |
|                 | <b><u>Total Operating Budget</u></b>                            |                          |   |
| General Revenue | \$ 7,104,687,680  | \$ 7,843,215,982         | \$ 8,213,115,585                        |
| Federal Funds   | 5,462,146,484   | 6,131,671,161            | 6,130,572,117                           |
| Other Funds     | 6,576,985,622   | 7,095,668,633            | 7,093,330,634                           |
| Total           | \$ 19,143,819,786   | \$ 21,070,555,776        | \$ 21,437,018,336                       |
| <b>18</b>       | <b><u>Capital Improvements -<br/>Maintenance and Repair</u></b> |                          |   |
| General Revenue | \$ 20,083,932   | \$ 60,886,755            | \$ 72,079,240                           |
| Federal Funds   | 773,706   | 3,025,000                | 3,173,382                               |
| Other Funds     | 8,713,200   | 10,641,001               | 7,356,611                               |
| Total           | \$ 29,570,838   | \$ 74,552,756            | \$ 82,609,233                           |
| <b>19</b>       | <b><u>Capital Improvements -<br/>Construction</u></b>           |                          |   |
| General Revenue | \$ 146,151  | \$ 1,245,510             | \$ 12,301,718                           |
| Federal Funds   | 2,258,343   | 36,440,865               | 4,975,000                               |
| Other Funds     | 21,297,702  | 28,438,487               | 39,271,120                              |
| Total           | \$ 23,702,196   | \$ 66,124,862            | \$ 56,547,838                           |
| <b>21</b>       | <b><u>Capital Improvements -<br/>Construction</u></b>           |                          |   |
| General Revenue | \$ 0  | \$ 11,595,722            | \$ 0                                    |
| Federal Funds   | 0   | 9,264,000                | 0                                       |
| Other Funds     | 0   | 10,351,475               | 0                                       |
| Total           | \$ 0  | \$ 31,211,197            | \$ 0                                    |
|                 | <b><u>Total Capital Improvements Budget</u></b>                 |                          |   |
| General Revenue | \$ 20,230,083   | \$ 73,727,987            | \$ 84,380,958                           |
| Federal Funds   | 3,032,049   | 48,729,865               | 8,148,382                               |
| Other Funds     | 30,010,902  | 49,430,963               | 46,627,731                              |
| Total           | \$ 53,273,034   | \$ 171,888,815           | \$ 139,157,071                          |

**FY 2008 OPERATING AND CAPITAL BUDGET SUMMARY**

| <b>House<br/>Bill</b> | <b>FY 2006<br/>Expenditure</b> | <b>FY 2007<br/>Appropriation</b> | <b>Governor's<br/>Recommendation<br/>FY 2008</b> |
|-----------------------|--------------------------------|----------------------------------|--|
| <b>GRAND TOTAL</b>    |                                |                                  |  |
| General Revenue       | \$ 7,124,917,763               | \$ 7,916,943,969                 | \$ 8,297,496,543                                 |
| Federal Funds         | 5,465,178,533                  | 6,180,401,026                    | 6,138,720,499                                    |
| Other Funds           | 6,606,996,524                  | 7,145,099,596                    | 7,139,958,365                                    |
| Total                 | \$ 19,197,092,820              | \$ 21,242,444,591                | \$ 21,576,175,407                                |

FY 2006 expenditures do not include refunds of \$1,174,054,495, including \$1,127,743,978 general revenue.

FY 2007 appropriations do not include refunds of \$1,293,854,469, including \$1,245,255,371 general revenue.

FY 2008 Governor's recommendations do not include refunds of \$1,348,772,467, including \$1,300,173,371 general revenue.

**SUPPLEMENTAL RECOMMENDATIONS  
FISCAL YEAR 2007**

|  | <b>GENERAL<br/>REVENUE</b> | <b>FEDERAL<br/>FUNDS</b> | <b>OTHER<br/>FUNDS</b> | <b>TOTAL</b>          |
|--|----------------------------|--------------------------|------------------------|-----------------------|
| Department of Elementary and Secondary Education                                 | \$ 0                       | \$ 615,000               | \$ 38,682,310          | \$ 39,297,310         |
| Department of Higher Education   | 17,038,667                 | 0                        | 74,705,333             | 91,744,000            |
| Department of Revenue  | 2,283,874                  | 0                        | 14,973                 | 0                     |
| Department of Transportation   | 0                          | 0                        | 0                      | 0                     |
| Office of Administration   | 4,221,951                  | 0                        | 2,350,000              | 6,571,951             |
| Department of Agriculture  | 5,288,505                  | 2,740,788                | 5,509,607              | 13,538,900            |
| Department of Natural Resources  | 0                          | 0                        | 0                      | 0                     |
| Missouri Department of Conservation  | 0                          | 0                        | 0                      | 0                     |
| Department of Economic Development   | 983,324                    | 0                        | 50,000                 | 1,033,324             |
| Department of Insurance, Financial Institutions and<br>Professional Registration | 0                          | 0                        | 0                      | 0                     |
| Department of Labor and Industrial Relations                                     | 0                          | 0                        | 0                      | 0                     |
| Department of Public Safety  | 241,590                    | 224,460                  | 686,875                | 1,152,925             |
| Department of Corrections  | 0                          | 0                        | 0                      | 0                     |
| Department of Mental Health  | 9,655,161                  | 4,877,697                | 0                      | 14,532,858            |
| Department of Health and Senior Services   | 14,078,861                 | 0                        | 968,744                | 15,047,605            |
| Department of Social Services  | 66,465,911                 | 650,000                  | 6,967,148              | 74,083,059            |
| Judiciary  | 516,610                    | 0                        | 35,815                 | 552,425               |
| Office of Public Defender  | 415,500                    | 0                        | 1,000,000              | 1,415,500             |
| Elected Officials  | 324,056                    | 0                        | 23,570                 | 347,626               |
| General Assembly   | 0                          | 0                        | 0                      | 0                     |
| <b>TOTAL HOUSE BILLS 14, 15, and 16</b>  | <b>\$ 121,514,010</b>      | <b>\$ 9,107,945</b>      | <b>\$ 130,994,375</b>  | <b>\$ 261,616,330</b> |

# PUBLIC DEBT

## FINANCIAL SUMMARY

|  | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | FY 2008<br>REQUEST   | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|--|------------------------|--------------------------|----------------------|-----------------------------------|
| Administration                           | \$ 11,154              | \$ 20,002                | \$ 20,002            | \$ 20,002                         |
| Fourth State Building Bonds              | 4,795,152              | 17,086,832               | 17,077,982           | 17,077,982                        |
| Water Pollution Control Bonds            | 13,030,251             | 26,963,102               | 25,639,164           | 30,889,164                        |
| Stormwater Control Bonds                 | 1,709,157              | 2,579,527                | 2,578,658            | 2,578,658                         |
| Third State Building Bonds               | 49,642,695             | 50,996,863               | 46,904,688           | 46,904,688                        |
| Bond Issuance Costs                      | 0                      | 0                        | 0                    | 150,000                           |
| <b>TOTAL</b>                             | <b>\$ 69,188,409</b>   | <b>\$ 97,646,326</b>     | <b>\$ 92,220,494</b> | <b>\$ 97,620,494</b>              |
| General Revenue Fund                     | 68,207,584             | 91,358,692               | 91,215,272           | 91,464,696                        |
| WPC Series A 2007-37G-Other              | 0                      | 0                        | 0                    | 75,000                            |
| WPC Series A 2007-37E-Other              | 0                      | 0                        | 0                    | 75,000                            |
| Water and Wastewater Loan Revolving Fund | 980,825                | 6,287,634                | 1,005,222            | 6,005,798                         |
| Full-time equivalent employees           | 0.00                   | 0.00                     | 0.00                 | 0.00                              |

State of Missouri general obligation bond issues consistently have received the highest, "Triple A", ratings from Moody's Investors Service, Standard and Poor's Corporation, and Fitch Ratings. Missouri is one of only six states that has this rating from all three rating organizations. The other states are Georgia, Utah, Virginia, Maryland, and Delaware. General obligation bonds can only be issued through voter-approved amendments to the state constitution. Currently, outstanding general obligation bonds are for the four purposes identified below.

**Fourth State Building Bonds:** In August 1994, Missouri voters approved a fourth state building bond issue to provide essential prison capacity, new residential beds for juvenile offenders, and significant new higher education construction and renovation.

**Water Pollution Control Bonds:** Water pollution control bond proceeds help local governments construct wastewater and stormwater control facilities and improve public drinking water systems. These infrastructure improvements support local economic development, protect Missouri waterways from pollution, and help ensure safe drinking water supplies.

**Stormwater Control Bonds:** In November 1998, Missouri voters approved a separate stormwater control bond issue of \$200 million for stormwater control plans, studies, and projects.

**Third State Building Bonds:** In 1982, Missouri voters approved \$600 million in bonds to be issued for improvements to state buildings and property.

## **PUBLIC DEBT**

### **ADMINISTRATION OF PUBLIC DEBT**

The Board of Fund Commissioners administers the general obligation bonded indebtedness of the state. The board is comprised of the following members pursuant to Section 33.300, RSMo: Governor, Lieutenant Governor, Attorney General, State Auditor, State Treasurer, and Commissioner of Administration. Administrative expenses are associated with the sale and processing of the state's general obligation bonds. The board directs the payment of principal and interest on state debt. General obligation bonds issued by the State of Missouri are rated "Triple A" by Moody's Investors Service, Standard and Poor's Corporation, and Fitch Ratings. In addition, the Board of Fund Commissioners is obligated to repay to the United States Treasury excess interest earnings (arbitrage rebate) on water pollution control bonds, stormwater control bonds, third state building bonds, and fourth state building bonds.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$20,002 to continue funding at current level.

### **FOURTH STATE BUILDING BONDS DEBT SERVICE**

Missouri voters approved \$250 million in fourth state building bonds under the provisions of Article III, Section 37, Missouri Constitution to be used for capital improvement projects at state facilities and higher education institutions. Bond sales were authorized by the General Assembly in Fiscal Year 1995, and bonds were then sold on a cash-as-needed basis to meet scheduled construction timetables. With the final sale of \$50 million on June 1, 1998, all \$250 million in voter-approved bonds have been issued.

This appropriation provides for principal and interest payments on fourth state building bonds now outstanding. The money is transferred from general revenue to the Fourth State Building Bond and Interest Fund one year in advance of its appropriation.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$17,077,982 for the transfer of general revenue for debt service on fourth state building bonds currently outstanding.

## PUBLIC DEBT

### SUMMARY OF FOURTH STATE BUILDING BONDS ISSUANCES

| <u>Issuance</u>                      | <u>Final Maturity<br/>Fiscal Year</u> | <u>Principal<br/>Amount Issued</u> | <u>Principal<br/>Amount Repaid</u> | <u>Principal<br/>Amount Refunded</u> | <u>Principal Outstanding<br/>As of 1/1/07</u> |
|--------------------------------------|---------------------------------------|------------------------------------|------------------------------------|--------------------------------------|---|
| Series A 1995                        | 2005                                  | \$ 75,000,000                      | \$ 18,700,000                      | \$ 56,300,000                        | \$ 0  |
| Series A 1996                        | Refunded                              | 125,000,000                        | 24,800,000                         | 100,200,000                          | 0   |
| Series A 1998                        | Refunded                              | <u>50,000,000</u>                  | <u>9,030,000</u>                   | <u>40,970,000</u>                    | <u>0</u>                                      |
| Totals Excluding Refunding Issues    |                                       | \$ 250,000,000                     | \$ 52,530,000                      | \$ 197,470,000                       | \$ 0  |
| Series A 2002 Refunding              | 2022                                  | 154,840,000                        | 1,470,000                          | 0                                    | 153,370,000                                   |
| Series A 2005 Refunding              | 2017                                  | <u>45,330,000</u>                  | <u>0</u>                           | <u>0</u>                             | <u>45,330,000</u>                             |
| Totals Including Refunding Issuances |                                       | \$ 450,170,000                     | \$ 54,000,000                      | \$ 197,470,000                       | \$ 198,700,000                                |

### FOURTH STATE BUILDING BONDS COMPOSITE SCHEDULE OF DEBT SERVICE REQUIREMENTS

| <u>FISCAL YEAR</u> | <u>PRINCIPAL</u>    | <u>INTEREST</u>   | <u>TOTAL</u>        |
|--------------------|---------------------|-------------------|---------------------|
| 1996               | \$ 1,380,000.00     | \$ 4,311,020.00   | \$ 5,691,020.00     |
| 1997               | 1,480,000.00        | 7,773,776.25      | 9,253,776.25        |
| 1998               | 4,260,000.00        | 11,177,882.50     | 15,437,882.50       |
| 1999               | 5,625,000.00        | 13,406,382.50     | 19,031,382.50       |
| 2000               | 5,900,000.00        | 13,077,082.50     | 18,977,082.50       |
| 2001               | 6,160,000.00        | 12,716,357.50     | 18,876,357.50       |
| 2002               | 6,470,000.00        | 12,339,770.00     | 18,809,770.00       |
| 2003               | 6,765,000.00        | 11,156,394.27     | 17,921,394.27       |
| 2004               | 7,080,000.00        | 10,498,993.76     | 17,578,993.76       |
| 2005               | 7,410,000.00        | 10,043,368.76     | 17,453,368.76       |
| 2006               | 0.00                | 8,981,897.93      | 8,981,897.93        |
| 2007               | 1,470,000.00        | 9,499,181.26      | 10,969,181.26       |
| 2008               | 7,780,000.00        | 9,306,831.26      | 17,086,831.26       |
| 2009               | 8,130,000.00        | 8,947,981.26      | 17,077,981.26       |
| 2010               | 10,320,000.00       | 8,486,731.26      | 18,806,731.26       |
| 2011               | 11,475,000.00       | 7,941,856.26      | 19,416,856.26       |
| 2012               | 9,415,000.00        | 7,419,606.26      | 16,834,606.26       |
| 2013               | 18,180,000.00       | 6,729,731.26      | 24,909,731.26       |
| 2014               | 10,295,000.00       | 6,101,503.13      | 16,396,503.13       |
| 2015               | 20,620,000.00       | 5,412,275.00      | 26,032,275.00       |
| 2016               | 22,200,000.00       | 4,341,775.00      | 26,541,775.00       |
| 2017               | 23,750,000.00       | 3,193,025.00      | 26,943,025.00       |
| 2018               | 12,450,000.00       | 2,288,025.00      | 14,738,025.00       |
| 2019               | 13,095,000.00       | 1,649,400.00      | 14,744,400.00       |
| 2020               | 13,700,000.00       | 1,039,462.50      | 14,739,462.50       |
| 2021               | 8,460,000.00        | 577,125.00        | 9,037,125.00        |
| 2022               | <u>8,830,000.00</u> | <u>198,675.00</u> | <u>9,028,675.00</u> |
| TOTAL              | \$ 252,700,000.00   | \$ 198,616,110.42 | \$ 451,316,110.42   |

Total principal includes refunding excess of \$2,700,000 which does not count toward the \$250,000,000 constitutional authorization.

## PUBLIC DEBT

### WATER POLLUTION CONTROL BONDS DEBT SERVICE

Missouri voters have authorized the state to sell \$725 million in water pollution control bonds under the provisions of Article III, Section 37, Missouri Constitution. Increments of bonds are then authorized by the General Assembly and issued on a cash-as-needed basis to fund wastewater treatment projects approved by the Missouri Clean Water Commission. Currently, \$544.5 million in bonds, excluding refunding issuances, have been issued. General revenue is transferred to the Water Pollution Control Bond and Interest Fund one year in advance of its appropriation for principal and interest payments.

#### Fiscal Year 2008 Governor's Recommendations

- \$25,639,164 for the transfer of funds for debt service on water pollution control bonds currently outstanding, including \$19,633,366 general revenue.
- \$5,250,000 for the transfer of general revenue for debt service on additional water pollution control bonds.

### SUMMARY OF WATER POLLUTION CONTROL BONDS ISSUANCES

| <u>Issuance</u>                      | <u>Final Maturity<br/>Fiscal Year</u> | <u>Principal<br/>Amount Issued</u> | <u>Principal<br/>Amount Repaid</u> | <u>Principal<br/>Amount Refunded</u> | <u>Principal Outstanding<br/>As of 1/1/07</u> |
|--------------------------------------|---------------------------------------|------------------------------------|------------------------------------|--------------------------------------|---|
| Series A 1972                        | 1997                                  | \$ 20,000,000                      | \$ 20,000,000                      | \$ 0                                 | \$ 0  |
| Series A 1974                        | 1999                                  | 8,000,000                          | 8,000,000                          | 0                                    | 0   |
| Series B 1974                        | 1995                                  | 15,000,000                         | 15,000,000                         | 0                                    | 0   |
| Series A 1977                        | 1997                                  | 31,494,240                         | 31,494,240                         | 0                                    | 0   |
| Series A 1981                        | Refunded                              | 20,000,000                         | 3,060,000                          | 16,940,000                           | 0   |
| Series A 1983                        | Refunded                              | 20,000,000                         | 3,585,000                          | 16,415,000                           | 0   |
| Series B 1983                        | Refunded                              | 10,000,000                         | 375,000                            | 9,625,000                            | 0   |
| Series A 1985                        | Refunded                              | 20,000,000                         | 425,000                            | 19,575,000                           | 0   |
| Series A 1986                        | Refunded                              | 60,000,000                         | 13,600,000                         | 46,400,000                           | 0   |
| Series B 1987                        | Refunded                              | 35,000,000                         | 4,305,000                          | 30,695,000                           | 0   |
| Series A 1989                        | Refunded                              | 35,000,000                         | 7,720,000                          | 27,280,000                           | 0   |
| Series A 1991                        | Refunded                              | 35,000,000                         | 7,650,000                          | 27,350,000                           | 0   |
| Series A 1992                        | Refunded                              | 35,000,000                         | 8,440,000                          | 26,560,000                           | 0   |
| Series A 1993                        | 2004                                  | 30,000,000                         | 7,650,000                          | 22,350,000                           | 0   |
| Series A 1995                        | 2005                                  | 30,000,000                         | 7,480,000                          | 22,520,000                           | 0   |
| Series A 1996                        | Refunded                              | 35,000,000                         | 6,940,000                          | 28,060,000                           | 0   |
| Series A 1998                        | Refunded                              | 35,000,000                         | 6,320,000                          | 28,680,000                           | 0   |
| Series A 1999                        | Refunded                              | 20,000,000                         | 2,405,000                          | 17,595,000                           | 0   |
| Series A 2001                        | 2026                                  | 20,000,000                         | 2,515,000                          | 0                                    | 17,485,000                                    |
| Series A 2002                        | 2028                                  | 30,000,000                         | 2,985,000                          | 0                                    | 27,015,000                                    |
| Totals Excluding Refunding Issuances |                                       | \$ 544,494,240                     | \$ 159,949,240                     | \$ 340,045,000                       | \$ 44,500,000                                 |
| Series A 1987 Refunding              | Refunded                              | 49,715,000                         | 16,475,000                         | 33,240,000                           | 0   |
| Series B 1991 Refunding              | Refunded                              | 17,435,000                         | 6,080,000                          | 11,355,000                           | 0   |
| Series C 1991 Refunding              | Refunded                              | 33,575,000                         | 11,700,000                         | 21,875,000                           | 0   |
| Series B 1992 Refunding              | Refunded                              | 50,435,000                         | 16,840,000                         | 33,595,000                           | 0   |
| Series B 1993 Refunding              | Refunded                              | 109,415,000                        | 32,875,000                         | 76,540,000                           | 0   |
| Series B 2002 Refunding              | 2022                                  | 147,710,000                        | 25,830,000                         | 0                                    | 121,880,000                                   |
| Series A 2003 Refunding              | 2017                                  | 74,655,000                         | 2,715,000                          | 51,535,000                           | 20,405,000                                    |
| Series A 2005 Refunding              | 2017                                  | 95,100,000                         | 0                                  | 0                                    | 95,100,000                                    |
| Totals Including Refunding Issuances |                                       | \$ 1,122,534,240                   | \$ 272,464,240                     | \$ 568,185,000                       | \$ 281,885,000                                |

**PUBLIC DEBT**

**WATER POLLUTION CONTROL BONDS  
COMPOSITE SCHEDULE OF DEBT SERVICE REQUIREMENTS**

| <u>FISCAL YEAR</u> | <u>PRINCIPAL</u>         | <u>INTEREST</u>          | <u>TOTAL</u>               |
|--------------------|--------------------------|--------------------------|----------------------------|
| 1973               | \$ 570,000.00            | \$ 930,188.68            | \$ 1,500,188.68            |
| 1974               | 485,000.00               | 986,240.00               | 1,471,240.00               |
| 1975               | 705,000.00               | 1,751,569.56             | 2,456,569.56               |
| 1976               | 1,105,000.00             | 2,145,455.00             | 3,250,455.00               |
| 1977               | 1,160,000.00             | 2,080,357.50             | 3,240,357.50               |
| 1978               | 2,129,240.00             | 3,259,522.70             | 5,388,762.70               |
| 1979               | 2,240,000.00             | 3,405,992.50             | 5,645,992.50               |
| 1980               | 2,355,000.00             | 3,278,505.00             | 5,633,505.00               |
| 1981               | 2,475,000.00             | 3,146,440.00             | 5,621,440.00               |
| 1982               | 3,135,000.00             | 4,730,807.06             | 7,865,807.06               |
| 1983               | 3,165,000.00             | 4,694,670.00             | 7,859,670.00               |
| 1984               | 3,580,000.00             | 6,591,015.00             | 10,171,015.00              |
| 1985               | 3,915,000.00             | 6,805,965.00             | 10,720,965.00              |
| 1986               | 4,325,000.00             | 8,378,860.00             | 12,703,860.00              |
| 1987               | 4,650,000.00             | 10,567,758.28            | 15,217,758.28              |
| 1988               | 4,840,000.00             | 11,131,392.44            | 15,971,392.44              |
| 1989               | 6,805,000.00             | 13,815,388.63            | 20,620,388.63              |
| 1990               | 7,225,000.00             | 14,573,892.38            | 21,798,892.38              |
| 1991               | 8,240,000.00             | 15,275,401.13            | 23,515,401.13              |
| 1992               | 8,770,000.00             | 14,529,565.51            | 23,299,565.51              |
| 1993               | 10,110,000.00            | 16,610,720.57            | 26,720,720.57              |
| 1994               | 11,540,000.00            | 15,670,014.33            | 27,210,014.33              |
| 1995               | 13,690,000.00            | 16,312,826.27            | 30,002,826.27              |
| 1996               | 13,880,000.00            | 17,131,521.28            | 31,011,521.28              |
| 1997               | 14,790,000.00            | 17,175,506.28            | 31,965,506.28              |
| 1998               | 12,605,000.00            | 17,258,681.28            | 29,863,681.28              |
| 1999               | 14,210,000.00            | 18,152,123.78            | 32,362,123.78              |
| 2000               | 14,525,000.00            | 17,798,035.65            | 32,323,035.65              |
| 2001               | 15,690,000.00            | 17,488,317.53            | 33,178,317.53              |
| 2002               | 16,375,000.00            | 17,663,053.78            | 34,038,053.78              |
| 2003               | 15,325,000.00            | 15,878,275.62            | 31,203,275.62              |
| 2004               | 12,470,000.00            | 15,001,903.93            | 27,471,903.93              |
| 2005               | 13,075,000.00            | 14,905,332.54            | 27,980,332.54              |
| 2006               | 11,130,000.00            | 13,014,879.19            | 24,144,879.19              |
| 2007               | 11,735,000.00            | 13,626,462.52            | 25,361,462.52              |
| 2008               | 13,895,000.00            | 13,068,100.02            | 26,963,100.02              |
| 2009               | 13,165,000.00            | 12,474,162.52            | 25,639,162.52              |
| 2010               | 21,670,000.00            | 11,604,900.02            | 33,274,900.02              |
| 2011               | 23,160,000.00            | 10,485,712.52            | 33,645,712.52              |
| 2012               | 38,970,000.00            | 8,946,553.14             | 47,916,553.14              |
| 2013               | 22,945,000.00            | 7,457,168.76             | 30,402,168.76              |
| 2014               | 30,510,000.00            | 6,272,090.01             | 36,782,090.01              |
| 2015               | 22,245,000.00            | 5,093,131.26             | 27,338,131.26              |
| 2016               | 20,300,000.00            | 4,086,637.51             | 24,386,637.51              |
| 2017               | 22,885,000.00            | 3,038,043.76             | 25,923,043.76              |
| 2018               | 10,855,000.00            | 2,210,806.26             | 13,065,806.26              |
| 2019               | 8,660,000.00             | 1,733,412.51             | 10,393,412.51              |
| 2020               | 6,825,000.00             | 1,376,075.01             | 8,201,075.01               |
| 2021               | 4,805,000.00             | 1,122,843.76             | 5,927,843.76               |
| 2022               | 5,020,000.00             | 899,778.13               | 5,919,778.13               |
| 2023               | 2,685,000.00             | 718,537.50               | 3,403,537.50               |
| 2024               | 2,815,000.00             | 585,393.75               | 3,400,393.75               |
| 2025               | 2,960,000.00             | 446,662.50               | 3,406,662.50               |
| 2026               | 3,110,000.00             | 300,893.75               | 3,410,893.75               |
| 2027               | 1,875,000.00             | 145,375.00               | 2,020,375.00               |
| 2028               | 1,970,000.00             | 49,250.00                | 2,019,250.00               |
| <b>TOTAL</b>       | <b>\$ 554,349,240.00</b> | <b>\$ 467,882,168.61</b> | <b>\$ 1,022,231,408.61</b> |

Total principal includes refunding excess of \$9,855,000 which does not count toward the \$725 million constitutional authorization.

## PUBLIC DEBT

### STORMWATER CONTROL BONDS DEBT SERVICE

Missouri voters have authorized the state to sell \$200 million in stormwater control bonds under the provisions of Article III, Section 37, Missouri Constitution. Increments of bonds are then authorized by the General Assembly and issued on a cash-as-needed basis to fund stormwater control projects. Currently, \$45 million in bonds, excluding refunding issuances, have been issued. General revenue is transferred to the Stormwater Control Bond and Interest Fund one year in advance of its appropriation for payment of principal and interest.

#### Fiscal Year 2008 Governor's Recommendations

- \$2,578,658 for the transfer of general revenue for debt service on stormwater control bonds currently outstanding.

### SUMMARY OF STORMWATER CONTROL BONDS ISSUANCES

| <u>Issuance</u>                      | <u>Final Maturity<br/>Fiscal Year</u> | <u>Principal<br/>Amount Issued</u> | <u>Principal<br/>Amount Repaid</u> | <u>Principal<br/>Amount Refunded</u> | <u>Principal<br/>Outstanding<br/>As of 1/1/07</u> |
|--------------------------------------|---------------------------------------|------------------------------------|------------------------------------|--------------------------------------|---|
| Series A 1999                        | Refunded                              | \$ 20,000,000                      | \$ 2,405,000                       | \$ 17,595,000                        | \$ 0  |
| Series A 2001                        | 2026                                  | 10,000,000                         | 1,260,000                          | 0                                    | 8,740,000   |
| Series A 2002                        | 2028                                  | <u>15,000,000</u>                  | <u>1,490,000</u>                   | <u>0</u>                             | <u>13,510,000</u>                                 |
| Totals Excluding Refunding Issuances |                                       | \$ 45,000,000                      | \$ 5,155,000                       | \$ 17,595,000                        | \$ 22,250,000                                     |
| Series A 2005 Refunding              | 2016                                  | <u>17,175,000</u>                  | <u>0</u>                           | <u>0</u>                             | <u>17,175,000</u>                                 |
| Total Including Refunding Issuances  |                                       | \$ 62,175,000                      | \$ 5,155,000                       | \$ 17,595,000                        | \$ 39,425,000                                     |



**PUBLIC DEBT**

**STORMWATER CONTROL BONDS  
COMPOSITE SCHEDULE OF DEBT SERVICE REQUIREMENTS**

| <u>FISCAL YEAR</u> | <u>PRINCIPAL</u>        | <u>INTEREST</u>         | <u>TOTAL</u>            |
|--------------------|-------------------------|-------------------------|-------------------------|
| 2000               | \$ 0.00                 | \$ 541,461.88           | \$ 541,461.88           |
| 2001               | 445,000.00              | 1,070,352.51            | 1,515,352.51            |
| 2002               | 695,000.00              | 1,535,101.26            | 2,230,101.26            |
| 2003               | 725,000.00              | 1,820,680.01            | 2,545,680.01            |
| 2004               | 1,095,000.00            | 2,093,433.76            | 3,188,433.76            |
| 2005               | 1,145,000.00            | 2,037,133.76            | 3,182,133.76            |
| 2006               | 650,000.00              | 1,712,090.83            | 2,362,090.83            |
| 2007               | 680,000.00              | 1,899,170.00            | 2,579,170.00            |
| 2008               | 705,000.00              | 1,874,526.25            | 2,579,526.25            |
| 2009               | 730,000.00              | 1,848,657.50            | 2,578,657.50            |
| 2010               | 1,405,000.00            | 1,796,220.00            | 3,201,220.00            |
| 2011               | 1,690,000.00            | 1,719,582.50            | 3,409,582.50            |
| 2012               | 3,205,000.00            | 1,604,298.13            | 4,809,298.13            |
| 2013               | 3,850,000.00            | 1,435,738.76            | 5,285,738.76            |
| 2014               | 4,255,000.00            | 1,239,958.76            | 5,494,958.76            |
| 2015               | 4,540,000.00            | 1,026,943.76            | 5,566,943.76            |
| 2016               | 4,215,000.00            | 814,193.76              | 5,029,193.76            |
| 2017               | 1,010,000.00            | 686,450.01              | 1,696,450.01            |
| 2018               | 1,060,000.00            | 636,881.26              | 1,696,881.26            |
| 2019               | 1,110,000.00            | 587,818.76              | 1,697,818.76            |
| 2020               | 1,165,000.00            | 536,062.51              | 1,701,062.51            |
| 2021               | 1,220,000.00            | 480,906.26              | 1,700,906.26            |
| 2022               | 1,280,000.00            | 422,159.38              | 1,702,159.38            |
| 2023               | 1,340,000.00            | 359,143.75              | 1,699,143.75            |
| 2024               | 1,410,000.00            | 292,637.50              | 1,702,637.50            |
| 2025               | 1,480,000.00            | 223,212.50              | 1,703,212.50            |
| 2026               | 1,555,000.00            | 150,387.50              | 1,705,387.50            |
| 2027               | 935,000.00              | 72,625.00               | 1,007,625.00            |
| 2028               | 985,000.00              | 24,625.00               | 1,009,625.00            |
| <b>TOTAL</b>       | <b>\$ 44,580,000.00</b> | <b>\$ 30,542,452.86</b> | <b>\$ 75,122,452.86</b> |

Total principal includes refunding excess of (\$420,000) which does not count toward the \$200 million constitutional authorization.

## PUBLIC DEBT

### THIRD STATE BUILDING BONDS DEBT SERVICE

Missouri voters approved \$600 million in third state building bonds to be used for capital improvement projects at state facilities and for specific types of local economic development projects under Article III, Section 37, Missouri Constitution. The General Assembly authorized issuance of \$75 million for Fiscal Year 1983, \$50 million for Fiscal Year 1984, \$75 million for Fiscal Year 1985, and \$400 million for Fiscal Year 1986. Bonds were then sold on a cash-as-needed basis to meet scheduled construction timetables. With the final sale of \$75 million on December 1, 1987, all \$600 million in voter-approved bonds have been issued.

This appropriation provides for principal and interest payments on third state building bonds now outstanding. The money is transferred from general revenue to the Third State Building Bond Interest and Sinking Fund one year in advance of its appropriation.

#### Fiscal Year 2008 Governor's Recommendations

- \$46,904,688 for the transfer of general revenue for debt service on third state building bonds currently outstanding.

### SUMMARY OF THIRD STATE BUILDING BONDS ISSUANCES

| <u>Issuance</u>                      | <u>Final Maturity<br/>Fiscal Year</u> | <u>Principal<br/>Amount Issued</u> | <u>Principal<br/>Amount Repaid</u> | <u>Principal<br/>Amount Refunded</u> | <u>Principal<br/>Outstanding<br/>As of 1/1/07</u> |
|--------------------------------------|---------------------------------------|------------------------------------|------------------------------------|--------------------------------------|---|
| Series A 1983                        | Refunded                              | \$ 40,000,000                      | \$ 7,165,000                       | \$ 32,835,000                        | \$ 0  |
| Series B 1983                        | Refunded                              | 35,000,000                         | 1,325,000                          | 33,675,000                           | 0   |
| Series A 1984                        | Refunded                              | 50,000,000                         | 1,870,000                          | 48,130,000                           | 0   |
| Series A 1985                        | Refunded                              | 75,000,000                         | 1,625,000                          | 73,375,000                           | 0   |
| Series A 1986                        | Refunded                              | 325,000,000                        | 73,645,000                         | 251,355,000                          | 0   |
| Series B 1987                        | Refunded                              | <u>75,000,000</u>                  | <u>9,220,000</u>                   | <u>65,780,000</u>                    | <u>0</u>  |
| Totals Excluding Refunding Issuances |                                       | \$ 600,000,000                     | \$ 94,850,000                      | \$ 505,150,000                       | \$ 0  |
| Series A 1987 Refunding              | Refunded                              | 170,115,000                        | 56,390,000                         | 113,725,000                          | 0   |
| Series A 1991 Refunding              | Refunded                              | 34,870,000                         | 11,935,000                         | 22,935,000                           | 0   |
| Series B 1991 Refunding              | Refunded                              | 71,955,000                         | 24,635,000                         | 47,320,000                           | 0   |
| Series A 1992 Refunding              | Refunded                              | 273,205,000                        | 92,035,000                         | 181,170,000                          | 0   |
| Series A 1993 Refunding              | Refunded                              | 148,480,000                        | 69,100,000                         | 79,380,000                           | 0   |
| Series A 2002 Refunding              | 2013                                  | 211,630,000                        | 85,925,000                         | 0                                    | 125,705,000                                       |
| Series A 2003 Refunding              | 2013                                  | <u>75,650,000</u>                  | <u>36,010,000</u>                  | <u>0</u>                             | <u>39,640,000</u>                                 |
| Totals Including Refunding Issuances |                                       | \$ 1,585,905,000                   | \$ 470,880,000                     | \$ 949,680,000                       | \$ 165,345,000                                    |

## PUBLIC DEBT

### THIRD STATE BUILDING BONDS COMPOSITE SCHEDULE OF DEBT SERVICE REQUIREMENTS

| <u>FISCAL YEAR</u> | <u>PRINCIPAL</u>    | <u>INTEREST</u>   | <u>TOTAL</u>        |
|--------------------|---------------------|-------------------|---------------------|
| 1984               | \$ 470,000.00       | \$ 4,842,987.50   | \$ 5,312,987.50     |
| 1985               | 1,490,000.00        | 11,034,230.00     | 12,524,230.00       |
| 1986               | 2,270,000.00        | 17,725,712.50     | 19,995,712.50       |
| 1987               | 2,745,000.00        | 30,902,276.22     | 33,647,276.22       |
| 1988               | 5,865,000.00        | 36,209,164.83     | 42,074,164.83       |
| 1989               | 11,430,000.00       | 44,179,397.16     | 55,609,397.16       |
| 1990               | 12,280,000.00       | 43,153,872.16     | 55,433,872.16       |
| 1991               | 13,235,000.00       | 42,050,290.91     | 55,285,290.91       |
| 1992               | 14,230,000.00       | 37,998,667.16     | 52,228,667.16       |
| 1993               | 15,755,000.00       | 36,585,883.33     | 52,340,883.33       |
| 1994               | 17,280,000.00       | 32,547,322.96     | 49,827,322.96       |
| 1995               | 20,000,000.00       | 30,798,942.51     | 50,798,942.51       |
| 1996               | 21,550,000.00       | 29,172,938.76     | 50,722,938.76       |
| 1997               | 23,175,000.00       | 27,523,861.26     | 50,698,861.26       |
| 1998               | 23,985,000.00       | 25,883,931.26     | 49,868,931.26       |
| 1999               | 28,305,000.00       | 24,158,196.88     | 52,463,196.88       |
| 2000               | 30,345,000.00       | 22,248,060.00     | 52,593,060.00       |
| 2001               | 31,485,000.00       | 20,471,257.50     | 51,956,257.50       |
| 2002               | 31,615,000.00       | 18,933,312.50     | 50,548,312.50       |
| 2003               | 29,340,000.00       | 14,477,728.61     | 43,817,728.61       |
| 2004               | 19,370,000.00       | 13,017,349.86     | 32,387,349.86       |
| 2005               | 33,930,000.00       | 12,602,912.50     | 46,532,912.50       |
| 2006               | 39,195,000.00       | 10,925,562.50     | 50,120,562.50       |
| 2007               | 41,535,000.00       | 8,974,287.50      | 50,509,287.50       |
| 2008               | 44,015,000.00       | 6,981,862.50      | 50,996,862.50       |
| 2009               | 41,925,000.00       | 4,979,687.50      | 46,904,687.50       |
| 2010               | 36,615,000.00       | 3,016,187.50      | 39,631,187.50       |
| 2011               | 32,115,000.00       | 1,297,937.50      | 33,412,937.50       |
| 2012               | 5,185,000.00        | 375,631.25        | 5,560,631.25        |
| 2013               | <u>5,490,000.00</u> | <u>128,100.00</u> | <u>5,618,100.00</u> |
| TOTAL              | \$ 636,225,000.00   | \$ 613,197,552.62 | \$ 1,249,422,552.62 |

Total principal includes refunding excess of \$36,225,000 which does not count toward the \$600 million constitutional authorization.

### BOND ISSUANCE COSTS

#### Fiscal Year 2008 Governor's Recommendations

- \$150,000 WPC Series A 2007 Fund (bond proceeds) for costs associated with the issuance of additional bonds.

# FRINGE BENEFITS

## FINANCIAL SUMMARY

|   | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | FY 2008<br>REQUEST | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|---|------------------------|--------------------------|--------------------|-----------------------------------|
| OASDHI Taxes                                | \$ 140,905,219         | \$ 157,384,530           | \$ 157,314,948     | \$ 160,788,162                    |
| Missouri State Employees' Retirement System | 221,829,111            | 255,789,595              | 255,664,030        | 263,110,587                       |
| Teacher Retirement Contributions            | 2,469,499              | 3,540,560                | 3,540,560          | 3,540,560                         |
| Deferred Compensation                       | 11,266,066             | 11,568,885               | 11,559,978         | 11,974,971                        |
| Unemployment Benefits                       | 4,698,842              | 4,039,608                | 4,038,458          | 4,038,458                         |
| Missouri Consolidated Health Care Plan      | 317,822,893            | 360,579,587              | 361,283,212        | 376,907,771                       |
| Workers' Compensation                       | 23,160,713             | 22,213,523               | 21,641,575         | 21,638,780                        |
| Other Employer Disbursements                | 11,762,880             | 862,002                  | 862,002            | 862,002                           |
| TOTAL                                       | \$ 733,915,223         | \$ 815,978,290           | \$ 815,904,763     | \$ 842,861,291                    |
| General Revenue Fund                        | 476,514,858            | 510,411,801              | 505,356,438        | 526,349,089                       |
| Federal Funds                               | 134,752,988            | 160,837,877              | 161,010,551        | 164,654,970                       |
| Other Funds                                 | 122,647,377            | 144,728,612              | 149,537,774        | 151,857,232                       |

## **FRINGE BENEFITS**

### **CONTRIBUTION TO OASDHI TAXES**

The State of Missouri pays the employer's share of federal Old Age and Survivors Disability and Health Insurance contributions on the salaries of all state employees, with the exception of employees of the state universities and four-year colleges. These funds are transferred to a contribution fund for matching payments to the Social Security Administration.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$4,622,000 for increased costs to the state for social security benefits due to pay plan, including \$2,369,000 general revenue.
- \$1,766,000 for new staff statewide, including \$875,000 general revenue.
- \$652,513 for increased costs from the Fiscal Year 2007 appropriation level.
- \$736,520 State Facility Maintenance and Operations Fund for benefits associated with the statewide consolidation of facility related services.
- \$67,000 for increased costs associated with repositioning in the Department of Health and Senior Services and Department of Social Services, including \$29,000 general revenue.
- \$52,640 Office of Administration Revolving Administrative Trust Fund for benefits associated with the mailroom consolidation.
- (\$3,634,298) federal and other funds core reduction from the Fiscal Year 2007 appropriation level.
- (\$736,520) transferred to various departments to pay for fringe costs associated with the statewide consolidation of facility related services, including (\$693,789) general revenue.
- (\$69,583) transferred to the Department of Mental Health for contractual services.
- (\$52,640) transferred to various departments to pay for fringe costs associated with the mailroom consolidation, including (\$17, 671) general revenue.

### **CONTRIBUTION TO MISSOURI STATE EMPLOYEES' RETIREMENT SYSTEM**

The State of Missouri provides an employer funded retirement program for employees through a contribution of a specified percentage of members' wages to the Missouri State Employees' Retirement System. Included in the state's contribution is a payment per month, per eligible employee to the Missouri State Employees' Benefit Plan and a payment of long-term disability premiums.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$6,943,000 for increased costs to the state for retirement benefits due to pay plan, including \$4,433,000 general revenue.
- \$2,199,000 for increased costs from the Fiscal Year 2007 appropriation level, including \$667,000 general revenue.
- \$1,988,000 for new staff statewide, including \$1,398,000 general revenue.
- \$1,328,626 State Facility Maintenance and Operations Fund for benefits associated with the statewide consolidation of facility related services.
- \$94,962 Office of Administration Revolving Administrative Trust Fund for benefits associated with the mailroom consolidation.
- \$87,000 for increased costs associated with repositioning in the Department of Health and Senior Services and Department of Social Services, including \$54,000 general revenue.
- (\$3,770,443) core reduction from the Fiscal Year 2007 appropriation level, including (\$675,611) general revenue.
- (\$1,328,626) transferred to various departments to pay for fringe costs associated with the statewide consolidation of facility related services, including (\$1,251,542) general revenue.
- (\$125,565) transferred to the Department of Mental Health for contractual services.
- (\$94,962) transferred to various departments for fringe costs associated with the mailroom consolidation, including (\$31,877) general revenue.

### **TEACHER RETIREMENT CONTRIBUTIONS**

Section 104.342, RSMo, provides that the Commissioner of Administration shall requisition monthly and certify the payment of contributions to the Public School Retirement System (PSRS). Authority to transfer and expend these monies is required to comply with statutory provisions. Certified teachers involved are employed by the Department of Elementary and Secondary Education, Department of Mental Health, Department of Social Services, Department of Corrections, and remain members of the PSRS.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

## **FRINGE BENEFITS**

### **DEFERRED COMPENSATION PROGRAM**

The Missouri State Public Employees Deferred Compensation Commission was created by Sections 105.900 to 105.927, RSMo, to encourage employees to supplement the Missouri State Employees' Retirement Plan and their Social Security. Participation in the Deferred Compensation Plan doubled after the \$25 per month match was legislated in 1996.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$685,537 for increased costs from the Fiscal Year 2007 appropriation level.
- \$94,354 State Facility Maintenance and Operations Fund for benefits associated with the statewide consolidation of facility related services.
- \$52,100 for new staff statewide, including \$39,400 general revenue.
- \$6,744 Office of Administration Revolving Administrative Trust Fund for benefits associated with the mailroom consolidation.
- (\$322,644) federal and other funds core reduction from the Fiscal Year 2007 appropriation level.
- (\$94,354) transferred to various departments to pay for fringe costs associated with the statewide consolidation of facility related services, including (\$88,881) general revenue.
- (\$8,907) transferred to the Department of Mental Health for contractual services.
- (\$6,744) transferred to various departments for fringe costs associated with the mailroom consolidation, including (\$2,264) general revenue.

### **DISBURSEMENT FOR UNEMPLOYMENT BENEFITS**

The State of Missouri, as a governmental entity, is required to pay contributions to the Division of Employment Security as specified by law so that unemployment claims may be paid to former employees. A governmental entity may elect to either pay contributions in advance based on a statutory formula or to reimburse the Division of Employment Security for actual claims paid out to former employees. The State of Missouri utilizes the reimbursement for actual claims paid option. By using this deferred method of payment and one central appropriation, the state simplifies the administration of unemployment benefits.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$24,068 State Facility Maintenance and Operations Fund for benefits associated with the statewide consolidation of facility related services.
- \$1,721 Office of Administration Revolving Administrative Trust Fund for benefits associated with the mailroom consolidation.
- (\$24,068) transferred to various departments to pay for fringe costs associated with the statewide consolidation of facility related services, including (\$22,648) general revenue.
- (\$1,721) transferred to various departments for fringe costs associated with the mailroom consolidation, including (\$577) general revenue.
- (\$1,150) transferred to the Department of Mental Health for contractual services.

### **MISSOURI CONSOLIDATED HEALTH CARE PLAN**

The Missouri Consolidated Health Care Plan administers health care benefits for state employees. In 1995, municipalities and other public entities were allowed to join the Missouri Consolidated Health Care Plan as well, building a larger pool of members and greater bargaining power for lower cost medical services.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$15,022,657 for other post employment benefits, including \$10,000,000 general revenue.
- \$2,767,004 State Facility Maintenance and Operations Fund for benefits associated with the statewide consolidation of facility related services.
- \$1,567,000 for new staff statewide, including \$1,234,000 general revenue.
- \$197,770 Office of Administration Revolving Administrative Trust Fund for benefits associated with the mailroom consolidation.
- (\$2,767,004) transferred to various departments to pay for fringe costs associated with the statewide consolidation of facility related services, including (\$2,606,493) general revenue.
- (\$261,473) transferred to the Department of Mental Health for contractual services.
- (\$197,770) transferred to various departments for fringe costs associated with the mailroom consolidation, including (\$66,388) general revenue.

## **FRINGE BENEFITS**

### **WORKERS' COMPENSATION**

The State of Missouri is responsible for payment of Workers' Compensation benefits to injured state employees in accordance with Chapter 287, RSMo. The payment of Workers' Compensation benefits for all state employees, excluding the Department of Transportation, the Missouri State Highway Patrol, and the University of Missouri system, is covered under this program and is administered by the Office of Administration's Division of General Services. Payments made by general revenue on behalf of employees paid from other funding sources are transferred from these funds back to general revenue. As a Workers' Compensation self-insurer, the state pays its Workers' Compensation tax and Second Injury Fund assessments based on billings received from the Department of Insurance, Financial Institutions and Professional Registration and the Division of Workers' Compensation.

#### **Fiscal Year 2008 Governor's Recommendations**

- (\$450,000) core reduction from the Fiscal Year 2007 appropriation level.
- (\$109,737) transferred to various departments to pay for fringe costs associated with the statewide consolidation of facility related services.
- (\$12,211) transferred to the Department of Mental Health for contractual services.
- (\$2,795) transferred to various departments to pay for fringe costs associated with the mailroom consolidation.

### **OTHER EMPLOYER DISBURSEMENTS**

#### **VOLUNTARY LIFE INSURANCE**

State employees may opt to withhold funds for voluntary life insurance. This appropriation provides expenditure authority to distribute the monies withheld to the various life insurance companies as designated by the employees.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

#### **CAFETERIA PLAN TRANSFER**

The state offers a tax reduction plan for state employees. The federal government requires the state to provide a sufficient balance in the medical expenses category for timely reimbursements to plan participants.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

#### **HUMAN RESOURCES CONTINGENCY FUND TRANSFER**

This transfer section has been added to ensure that payroll checks submitted for payment against accounts with temporary allotment or fund cash flow problems can be generated within the time constraints of pay period processing.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

# STATEWIDE REAL ESTATE

## FINANCIAL SUMMARY

|  | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | FY 2008<br>REQUEST    | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|--|------------------------|--------------------------|-----------------------|-----------------------------------|
| Department of Elementary & Secondary Education | \$ 2,677,917           | \$ 4,335,231             | \$ 6,728,191          | \$ 6,771,542                      |
| Department of Higher Education                 | 239,644                | 303,679                  | 363,589               | 363,754                           |
| Department of Revenue                          | 1,382,060              | 1,663,946                | 2,063,509             | 2,074,198                         |
| Office of Administration                       | 542,899                | 1,856,810                | 2,592,404             | 2,540,667                         |
| Department of Agriculture                      | 297,468                | 798,429                  | 1,172,343             | 1,180,859                         |
| Department of Natural Resources                | 1,806,150              | 3,002,040                | 3,390,179             | 3,417,688                         |
| Department of Economic Development             | 2,519,499              | 4,900,641                | 4,944,253             | 4,978,591                         |
| Department of Insurance                        | 6,900                  | 417,381                  | 968,997               | 985,439                           |
| Department of Labor and Industrial Relations   | 615,550                | 1,947,853                | 1,745,286             | 1,768,305                         |
| Department of Public Safety                    | 1,778,624              | 3,261,324                | 11,107,662            | 11,128,638                        |
| Department of Corrections                      | 5,603,440              | 7,506,296                | 53,834,703            | 54,086,823                        |
| Department of Mental Health                    | 1,635,842              | 2,743,228                | 15,617,908            | 15,707,675                        |
| Department of Health and Senior Services       | 3,555,120              | 5,742,632                | 6,067,003             | 6,100,286                         |
| Department of Social Services                  | 16,019,844             | 23,644,026               | 26,097,718            | 26,264,494                        |
| Elected Officials                              | 964,488                | 5,465,571                | 5,596,681             | 5,680,537                         |
| Judiciary                                      | 1,018,934              | 2,711,035                | 2,611,577             | 2,617,063                         |
| Lease/Purchase St. Louis                       | 12,192,045             | 0                        | 0                     | 0                                 |
| <b>TOTAL</b>                                   | <b>\$ 52,856,424</b>   | <b>\$ 70,300,122</b>     | <b>\$ 144,902,003</b> | <b>\$ 145,666,559</b>             |
| General Revenue Fund                           | 35,506,075             | 41,228,202               | 107,952,053           | 108,517,430                       |
| Federal Funds                                  | 12,716,059             | 20,006,708               | 23,388,092            | 23,496,176                        |
| Other Funds                                    | 4,634,290              | 9,065,212                | 13,561,858            | 13,652,953                        |

## DEPARTMENT SUMMARY

In Fiscal Year 2008, the Division of Facilities Management, Design and Construction (DFMDC) will consolidate the cost of maintenance operations for most institutional facilities from agency budgets into one appropriation bill (HB 13). In Fiscal Year 2007, the cost of operations for state-owned facilities was also consolidated within HB 13. Combining all appropriations into one house bill allows DFMDC to track the total cost of maintenance operations and improve efficiencies in state-owned, leased, and institutional facilities.

### Space Consolidation Efforts

During Fiscal Year 2007, DFMDC continues to terminate leases and consolidate state agencies within state-owned space. In Fiscal Year 2006, DFMDC leased approx 3.4 million sq. ft. of office space at an annual cost of \$36 million. By comparison, during Fiscal Year 2007, DFMDC currently leases approximately 2.9 million sq. ft. of office space at an annual cost of \$30.4 million. Additional consolidation efforts are planned for Fiscal Year 2008. The consolidation of space also has allowed the redirection of existing funds to offset other costs, thus reducing the need for additional funds.

### Benchmarking

DFMDC conducts benchmark comparisons with the Federal General Services Administration (GSA) and other state governments to ensure that the State of Missouri rates are competitive. The State of Missouri rental rates for state-owned and leased facilities are comparable or below GSA and other state rates.

### Rental Rates

The Fiscal Year 2008 budgeted rental rates for leased facilities are as follows:

| <u>MARKET AREA</u> | <u>BUDGETED RENTAL RATE</u> |
|--------------------|-----------------------------|
| Metro              | \$15.00                     |
| St. Louis County   | \$17.85                     |
| Large City         | \$11.50                     |
| Outstate           | \$10.30                     |



## STATEWIDE REAL ESTATE

### DEPARTMENT SUMMARY (Continued)

The Fiscal Year 2008 budgeted rental rate for state-owned facilities are as follows:

| <b>FACILITY</b>    | <b>RATE</b> | <b>FACILITY</b>    | <b>RATE</b> | <b>FACILITY</b>   | <b>RATE</b> |
|--------------------|-------------|--------------------|-------------|-------------------|-------------|
| Capitol            | \$ 6.40     | Mental Health      | \$ 5.92     | Feed & Seed Lab   | \$ 9.80     |
| Broadway           | \$ 6.04     | Mo. Boulevard      | \$ 6.11     | DOLIR             | \$ 6.10     |
| Supreme Court      | \$ 4.86     | Petro Lab          | \$14.87     | Fletcher Daniel   | \$ 6.13     |
| Jefferson Building | \$ 6.07     | DEQ Lab            | \$ 8.13     | Penney            | \$ 6.85     |
| Gov. Mansion       | \$ 8.51     | Howerton           | \$ 5.57     | Landers           | \$ 6.93     |
| Kirkpatrick        | \$ 5.99     | Prof. Regist.      | \$ 5.49     | St. Joseph        | \$ 6.46     |
| Truman Building    | \$ 7.70     | Lewis & Clark      | \$ 6.86     | Mill Creek        | \$ 5.43     |
| Wainwright         | \$ 8.95     | DED Hannibal       | \$ 4.46     | DED St. Louis     | \$ 4.14     |
| OA Garage          | \$ 6.26     | DED Joplin         | \$ 3.74     | DOLIR-Adams       | \$ 5.00     |
| Simpson            | \$ 6.26     | Surplus Property   | \$ 1.33     | DOLIR-Springfield | \$ 5.00     |
| Prince Hall        | \$ 8.55     | DED Sedalia        | \$10.53     | DOLIR-Gateway     | \$ 5.00     |
| DED St. Joseph     | \$ 5.29     | DED Sikeston       | \$ 4.33     | DOLIR-Dunklin     | \$ 5.00     |
| Chouteau           | \$ 7.01     | Health Lab         | \$ 7.74     | DOLIR-Adams       | \$ 5.00     |
| North Serv. Center | \$16.95     | South Serv. Center | \$16.94     | Jennings          | \$16.91     |
|                    |             |                    |             | 9900 Page         | \$12.19     |

DFMDC provides asset management for all state-owned and leased properties, totaling in excess of 7 million sq. ft. of space. The following departments are located within those facilities.

### DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION

DFMDC manages approximately 37 lease contracts, totaling over 198,000 sq. ft., and approximately 191,000 sq. ft. of space in state-owned facilities on behalf of the Department of Elementary and Secondary Education.

### Fiscal Year 2008 Governor's Recommendations

- \$28,113 for janitorial, utilities, and market rate increases.
- \$43,351 for pay plan and associated fringes related to real estate administrative charges and the statewide consolidation of facility related services, including \$21,175 general revenue.
- \$2,394,082 transferred from the Department of Elementary and Secondary Education for the statewide consolidation of facility related services.
- \$180,531 transferred from employee benefits for fringe costs associated with the statewide consolidation of facility related services.
- (\$209,766) federal and other funds reallocated to various departmental real estate budgets.

## **STATEWIDE REAL ESTATE**

### **DEPARTMENT SUMMARY (Continued)**

#### **DEPARTMENT OF HIGHER EDUCATION**

DFMDC manages two lease contracts, approximately 25,000 sq. ft. of leased space, on behalf of the Coordinating Board of Higher Education.

##### **Fiscal Year 2008 Governor's Recommendations**

- \$23,551 for janitorial, utilities, and market rate increases.
- \$165 for pay plan and associated fringes related to real estate administrative charges, including \$48 general revenue.
- \$36,359 reallocated from various departmental and real estate budgets, including \$4,077 general revenue.

#### **DEPARTMENT OF REVENUE**

DFMDC manages 16 lease contracts, totaling over 58,000 sq. ft., and approximately 302,000 sq. ft. of space in state-owned facilities on behalf of the Department of Revenue and the State Tax Commission.

##### **Fiscal Year 2008 Governor's Recommendations**

- \$330,512 for state-owned rent space reallocations.
- \$10,689 for pay plan and associated fringes related to real estate administrative charges, including \$10,421 general revenue.
- \$123,254 Lottery Enterprise Fund transferred from the Department of Revenue for the statewide consolidation of facility related services.
- \$70,730 other funds reallocated from various departmental real estate budgets.
- (\$124,933) reallocated to various departmental real estate budgets.

#### **OFFICE OF ADMINISTRATION**

DFMDC manages 16 lease contracts, totaling over 74,000 sq. ft., and approximately 343,000 sq. ft. of space in state-owned facilities on behalf of the Office of Administration.

##### **Fiscal Year 2008 Governor's Recommendations**

- \$310,409 for state-owned rent space reallocations.
- \$110,725 for janitorial, utilities, and market rate increases.
- \$39,588 for pay plan and associated fringes related to real estate administrative charges, including \$38,748 general revenue.
- \$368,756 reallocated to various departmental real estate budgets, including \$366,482 general revenue.
- \$30,000 Federal Surplus Property Fund transferred from the Office of Administration for state-owned rent.
- (\$175,621) reallocated to various departmental real estate budgets, including (\$116,117) general revenue.

#### **DEPARTMENT OF AGRICULTURE**

DFMDC manages eight lease contracts, totaling over 27,000 sq. ft., and approximately 55,000 sq. ft. of space in state-owned facilities on behalf of the Department of Agriculture.

##### **Fiscal Year 2008 Governor's Recommendations**

- \$13,092 for janitorial, utilities, and market rate increases.
- \$8,516 for pay plan and associated fringes related to real estate administrative charges, including \$5,882 general revenue.
- \$335,807 State Fair Fees Fund transferred from the Department of Agriculture for institutional consolidation.
- \$25,015 reallocated from various departmental real estate budgets, including \$5,116 general revenue.

## **STATEWIDE REAL ESTATE**

### **DEPARTMENT SUMMARY (Continued)**

#### **DEPARTMENT OF NATURAL RESOURCES**

DFMDC manages approximately 38 lease contracts, totaling over 153,000 sq. ft., and approximately 179,000 sq. ft. of space in state-owned facilities on behalf of the Department of Natural Resources.

##### **Fiscal Year 2008 Governor's Recommendations**

- \$133,378 for janitorial, utilities, and market rate increases.
- \$27,509 for pay plan and associated fringes related to real estate administrative charges, including \$6,100 general revenue.
- \$254,761 federal and other funds reallocated from various departmental real estate budgets.

#### **DEPARTMENT OF ECONOMIC DEVELOPMENT**

DFMDC manages approximately 38 lease contracts, totaling over 232,000 sq. ft., and approximately 185,000 sq. ft. of space in state-owned facilities on behalf of the Department of Economic Development.

##### **Fiscal Year 2008 Governor's Recommendations**

- \$11,033 for janitorial, utilities, and market rate increases.
- \$34,338 for pay plan and associated fringes related to real estate administrative charges, including \$4,196 general revenue.
- \$47,524 Job Development and Training Fund transferred from the Department of Economic Development for state-owned rent.
- (\$14,945) federal and other funds reallocated to various departmental real estate budgets.

#### **DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION.**

DFMDC manages seven lease contracts, totaling over 8,000 sq. ft., and approximately 119,000 sq. ft. of space in state-owned facilities on behalf of the Department of Insurance, Financial Institutions and Professional Registration.

##### **Fiscal Year 2008 Governor's Recommendations**

- \$16,422 other funds for pay plan and associated fringes related to real estate administrative charges.
- \$551,616 other funds reallocated from various departmental real estate budgets.

#### **DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

DFMDC manages seven lease contracts, totaling over 8,000 sq. ft., and approximately 119,000 sq. ft. of space in state-owned facilities on behalf of the Department of Labor and Industrial Relations.

##### **Fiscal Year 2008 Governor's Recommendations**

- \$737 for janitorial, utilities, and market rate increases.
- \$23,019 for pay plan and associated fringes related to real estate administrative charges, including \$1,138 general revenue.
- (\$203,304) federal and other funds reallocated to various departmental real estate budgets.

## **STATEWIDE REAL ESTATE**

### **DEPARTMENT SUMMARY (Continued)**

#### **DEPARTMENT OF PUBLIC SAFETY**

DFMDC manages 27 lease contracts, totaling over 40,000 sq. ft., and approximately 53,000 sq. ft. of space in state-owned facilities on behalf of the Department of Public Safety.

##### **Fiscal Year 2008 Governor's Recommendations**

- \$37,194 for janitorial, utilities, and market rate increases.
- \$12,929 State Highways and Transportation Department Fund for pay plan and associated fringes related to the statewide consolidation of facility related services.
- \$11,902 for pay plan and associated fringes related to real estate administrative charges, including \$5,556 general revenue.
- \$7,475,192 transferred from the Department of Public Safety for consolidation of facility related services, including \$3,073,361 general revenue.
- \$186,763 State Highways and Transportation Department Fund transferred from employee benefits for fringe costs associated with the statewide consolidation of facility related services.
- \$92,400 transferred from the Department of Public Safety for new leased space in Cape Girardeau, including \$36,960 general revenue.
- \$45,781 federal and other funds reallocated from various departmental real estate budgets.
- \$5,153 transferred from the Department of Public Safety for new leased space in Branson.

#### **DEPARTMENT OF CORRECTIONS**

DFMDC manages approximately 90 lease contracts, totaling over 547,000 sq. ft., and approximately 95,000 sq. ft. of space in state-owned facilities on behalf of the Department of Corrections.

##### **Fiscal Year 2008 Governor's Recommendations**

- \$621,374 for janitorial, utilities, and market rate increases.
- \$97,520 for additional space for Probation and Parole which was previously co-located in county-provided space.
- \$87,985 for a facility lease at the Missouri State Penitentiary site.
- \$252,120 for pay plan and associated fringes related to the statewide consolidation of facility related services and real estate administrative charges, including \$249,512 general revenue.
- \$42,162,481 transferred from the Department of Corrections for consolidation of facility related services, including \$40,606,516 general revenue.
- \$3,279,011 transferred from employee benefits for fringe costs associated with the statewide consolidation of facility related services, including \$3,243,062 general revenue.
- \$80,036 Working Capital Revolving Fund reallocated from various departmental real estate budgets.

#### **DEPARTMENT OF MENTAL HEALTH**

DFMDC manages 44 lease contracts, totaling over 134,000 sq. ft., and approximately 99,000 sq. ft. of space in state-owned facilities on behalf of the Department of Mental Health.

##### **Fiscal Year 2008 Governor's Recommendations**

- \$195,006 for janitorial, utilities, and market rate increases.
- \$10,200 to consolidate two leased locations in St. Louis County.
- \$89,767 for pay plan and associated fringes related to the statewide consolidation of facility related services and real estate administrative charges, including \$85,835 general revenue.
- \$11,575,539 transferred from the Department of Mental Health for consolidation of facility related services.
- \$1,098,836 transferred from employee benefits for fringe costs associated with the statewide consolidation of facility related services.
- (\$4,901) federal and other funds reallocated to various departmental real estate budgets.

## STATEWIDE REAL ESTATE

### DEPARTMENT SUMMARY (Continued)

#### DEPARTMENT OF HEALTH AND SENIOR SERVICES

DFMDC manages approximately 90 lease contracts, totaling over 356,000 sq. ft., and approximately 202,000 sq. ft. of space in state-owned facilities on behalf of the Department of Health and Senior Services.

##### Fiscal Year 2008 Governor's Recommendations

- \$150,082 for janitorial, utilities, and market rate increases.
- \$33,283 for pay plan and associated fringes related to real estate administrative charges, including \$11,882 general revenue.
- \$174,289 federal and other funds reallocated from various departmental real estate budgets.

#### DEPARTMENT OF SOCIAL SERVICES

DFMDC manages approximately 167 lease contracts, totaling over 1.2 million sq. ft., and approximately 822,000 sq. ft. of space in state-owned facilities on behalf of the Department of Social Services.

##### Fiscal Year 2008 Governor's Recommendations

- \$458,629 for janitorial, utilities, and market rate increases.
- \$15,722 for additional space in Bloomfield and Galena due to client load increases.
- \$166,776 for pay plan and associated fringes related to real estate administrative charges and the statewide consolidation of facility related services, including \$140,746 general revenue.
- \$1,910,297 transferred from the Department of Social Services for consolidation of facility related services, including \$1,111,982 general revenue.
- \$298,664 transferred from employee benefits for fringe costs associated with the statewide consolidation of facility related services, including \$250,661 general revenue.
- \$53,298 transferred from the Department of Social Services for additional space, including \$33,578 general revenue.
- (\$282,918) federal and other funds reallocated to various departmental real estate budgets.

#### ELECTED OFFICIALS

The Legislature, Attorney General, State Auditor, and Secretary of State have 22 lease contracts statewide totaling over 103,000 square feet of leased space, and the Governor, Legislature and Elected Officials occupy approximately 680,000 square feet of space in state-owned facilities.

##### Fiscal Year 2008 Governor's Recommendations

- \$383,148 for janitorial, utilities, and market rate increases.
- \$83,856 for pay plan and associated fringes related to real estate administrative charges, including \$73,909 general revenue.
- (\$252,038) reallocated to various departmental real estate budgets, including (\$28,227) general revenue.

#### JUDICIARY

DFMDC manages six lease contracts, totaling over 145,000 sq. ft., and approximately 47,000 sq. ft. of space in state-owned facilities on behalf of the Court of Appeals and the State Court Administrator.

##### Fiscal Year 2008 Governor's Recommendations

- \$5,486 for pay plan and associated fringes related to real estate administrative charges, including \$5,409 general revenue.
- (\$99,458) reallocated to various departmental real estate budgets, including (\$106,398) general revenue.

# SUPPLEMENTAL APPROPRIATIONS

The Governor's recommendations for Fiscal Year 2007 Supplemental Appropriations include \$121,514,010 general revenue, \$9,107,945 federal funds, and \$130,994,375 other funds, for a total of \$261,616,330.

## DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION DIVISION OF ADMINISTRATION AND FINANCIAL SERVICES EQUITY FORMULA

| H.B. Sec. 14.005               | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|--------------------------------|---------------------------|--------------------|------------------------|
| PROGRAM SPECIFIC DISTRIBUTION  |                           |                    |                        |
| State School Moneys Fund       | \$ 1,896,717,458          | \$ 0               | \$ 0                   |
| Outstanding Schools Trust Fund | 490,197,395               | 38,682,310E        | 38,682,310E            |
| Classroom Trust Fund           | 297,208,638               | 0                  | 0                      |
| Lottery Proceeds Fund          | 23,157,943                | 0                  | 0                      |
| TOTAL                          | \$ 2,707,281,434          | \$ 38,682,310E     | \$ 38,682,310E         |

The Governor recommends \$38,682,310 on an open-ended basis for increased costs of the equity line of the school foundation formula. The true cost of the Fiscal Year 2007 foundation formula will not be known until the end of the fiscal year.

## DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION DIVISION OF SCHOOL IMPROVEMENT EDUCATION TECHNOLOGY (TITLE II, PART D)

| H.B. Sec. 14.010              | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|-------------------------------|---------------------------|--------------------|------------------------|
| PROGRAM SPECIFIC DISTRIBUTION |                           |                    |                        |
| Federal Funds                 | \$ 5,000,000              | \$ 600,000         | \$ 600,000             |

The Governor recommends \$600,000 in appropriation authority to allow the Department of Elementary and Secondary Education to expend existing federal dollars for technology improvements in Missouri schools.

## DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION DIVISION OF SCHOOL IMPROVEMENT ADVANCED PLACEMENT PROGRAM

| H.B. Sec. 14.015              | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|-------------------------------|---------------------------|--------------------|------------------------|
| PROGRAM SPECIFIC DISTRIBUTION |                           |                    |                        |
| Federal Funds                 | \$ 20,000                 | \$ 15,000          | \$ 15,000              |

The Governor recommends \$15,000 to allow the Department of Elementary and Secondary Education to expend available federal dollars for Advanced Placement exams for low-income students.

**SUPPLEMENTAL APPROPRIATIONS  
DEPARTMENT OF HIGHER EDUCATION  
DIVISION OF STUDENT FINANCIAL AID  
HIGHER EDUCATION ACADEMIC SCHOLARSHIP (BRIGHT FLIGHT) PROGRAM**

| H.B. Sec. 14.020 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**TRANSFER**

|                      |               |            |            |
|----------------------|---------------|------------|------------|
| General Revenue Fund | \$ 15,987,000 | \$ 372,000 | \$ 372,000 |
|----------------------|---------------|------------|------------|

The Governor recommends \$372,000 for transfer to the Academic Scholarship Fund to provide full funding for all students eligible for "Bright Flight" scholarships. Participation continues to be higher than expected and additional funds are necessary to honor the state's commitment to its brightest students.

**DEPARTMENT OF HIGHER EDUCATION  
DIVISION OF STUDENT FINANCIAL AID  
HIGHER EDUCATION ACADEMIC SCHOLARSHIP (BRIGHT FLIGHT) PROGRAM**

| H.B. Sec. 14.025 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**PROGRAM SPECIFIC DISTRIBUTION**

|                           |                |             |             |
|---------------------------|----------------|-------------|-------------|
| Academic Scholarship Fund | \$ 15,987,000E | \$ 372,000E | \$ 372,000E |
|---------------------------|----------------|-------------|-------------|

The Governor recommends \$372,000 on an open-ended basis to provide full funding for all students eligible for "Bright Flight" scholarships. Participation continues to be higher than expected and additional funds are necessary to honor the state's commitment to its brightest students.

**DEPARTMENT OF HIGHER EDUCATION  
DIVISION OF STUDENT FINANCIAL AID  
MISSOURI GUARANTEED STUDENT LOAN PROGRAM**

| H.B. Sec. 14.030 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**PROGRAM SPECIFIC DISTRIBUTION**

|                                   |               |                |                |
|-----------------------------------|---------------|----------------|----------------|
| Federal Student Loan Reserve Fund | \$ 85,000,000 | \$ 40,000,000E | \$ 40,000,000E |
|-----------------------------------|---------------|----------------|----------------|

The Governor recommends \$40,000,000 on an open-ended basis to allow the Missouri Guaranteed Student Loan Program to pay all anticipated expenses related to defaulted student loans, default aversion fees, and reimbursements to the federal government. The federal government requires these expenditures of the Department of Higher Education's Student Loan Program due to its status as a Federal Family Education Loan Program guaranty agency.

**DEPARTMENT OF REVENUE  
DIVISION OF CUSTOMER SERVICES  
VOTER IDENTIFICATION**

| H.B. Sec. 14.035 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

|                       |               |                |                |
|-----------------------|---------------|----------------|----------------|
| PERSONAL SERVICE      | \$ 174,532    | \$ 82,853      | \$ 82,853      |
| EXPENSE AND EQUIPMENT | <u>22,965</u> | <u>548,183</u> | <u>548,183</u> |
| TOTAL                 |               |                |                |
| General Revenue Fund  | \$ 197,497    | \$ 631,036     | \$ 631,036     |

The Governor recommends \$631,036 to offset expenses incurred in the implementation of Section 115.427, RSMo of SB 1014 (2006) to provide photographic identification to citizens, initially required for voting purposes.

**SUPPLEMENTAL APPROPRIATIONS  
DEPARTMENT OF REVENUE  
DIVISION OF LEGAL SERVICES**

| H.B. Sec. 14.040 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**EXPENSE AND EQUIPMENT**

|                                       |    |   |    |        |    |        |
|---------------------------------------|----|---|----|--------|----|--------|
| Petroleum Storage Tank Insurance Fund | \$ | 0 | \$ | 14,972 | \$ | 14,972 |
|---------------------------------------|----|---|----|--------|----|--------|

The Governor recommends \$14,972 for payment of attorney fees.

**DEPARTMENT OF REVENUE  
DIVISION OF CUSTOMER SERVICES**

| H.B. Sec. 14.045 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**PROGRAM SPECIFIC DISTRIBUTION**

|                      |    |   |    |        |    |        |
|----------------------|----|---|----|--------|----|--------|
| General Revenue Fund | \$ | 0 | \$ | 1,000E | \$ | 1,000E |
|----------------------|----|---|----|--------|----|--------|

The Governor recommends \$1,000 on an open-ended basis for the remittance of Emblem Use fee contributions.

**DEPARTMENT OF REVENUE  
DIVISION OF CUSTOMER SERVICES**

| H.B. Sec. 14.050 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**PROGRAM SPECIFIC DISTRIBUTION**

|                      |    |   |    |           |    |         |
|----------------------|----|---|----|-----------|----|---------|
| General Revenue Fund | \$ | 0 | \$ | 3,000,000 | \$ | 500,000 |
|----------------------|----|---|----|-----------|----|---------|

The Governor recommends \$500,000 for the payment of qualifying nonresident special needs adoption tax credits.

**DEPARTMENT OF REVENUE  
DIVISION OF CUSTOMER SERVICES**

| H.B. Sec. 14.055 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**TRANSFER**

|                      |    |         |    |    |    |    |
|----------------------|----|---------|----|----|----|----|
| General Revenue Fund | \$ | 505,500 | \$ | 1E | \$ | 1E |
|----------------------|----|---------|----|----|----|----|

The Governor recommends \$1 on an open-ended basis as a mechanism to transfer from the General Revenue Fund to the Circuit Courts Escrow Fund pursuant to Section 488.020(3), RSMo.

**DEPARTMENT OF REVENUE  
DIVISION OF HIGHWAY COLLECTIONS**

| H.B. Sec. 14.060 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**TRANSFER**

|                      |    |   |    |           |    |           |
|----------------------|----|---|----|-----------|----|-----------|
| General Revenue Fund | \$ | 0 | \$ | 1,151,837 | \$ | 1,151,837 |
|----------------------|----|---|----|-----------|----|-----------|

The Governor recommends \$1,151,837 for transfer to the State Highways and Transportation Department Fund for Amendment 3 collection costs that exceeded the constitutional three percent limit.



**SUPPLEMENTAL APPROPRIATIONS  
DEPARTMENT OF REVENUE  
STATE LOTTERY COMMISSION**

| H.B. Sec. 14.065 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**TRANSFER**

|                         |                |       |       |
|-------------------------|----------------|-------|-------|
| Lottery Enterprise Fund | \$ 218,681,990 | \$ 1E | \$ 1E |
|-------------------------|----------------|-------|-------|

The Governor recommends \$1 on an open-ended basis as a mechanism to transfer funds from the Lottery Enterprise Fund to the Lottery Proceeds Fund.

**DEPARTMENT OF AGRICULTURE  
OFFICE OF THE DIRECTOR  
LIVESTOCK ASSISTANCE GRANT PROGRAM**

| H.B. Sec. 14.070 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**PERSONAL SERVICE**

|                      |            |           |          |
|----------------------|------------|-----------|----------|
| General Revenue Fund | \$ 630,656 | \$ 26,900 | \$ 7,980 |
|----------------------|------------|-----------|----------|

**EXPENSE AND EQUIPMENT**

|                      |         |        |        |
|----------------------|---------|--------|--------|
| General Revenue Fund | 135,778 | 40,550 | 36,477 |
|----------------------|---------|--------|--------|

|                         |         |   |   |
|-------------------------|---------|---|---|
| Federal and Other Funds | 641,484 | 0 | 0 |
|-------------------------|---------|---|---|

**PROGRAM SPECIFIC DISTRIBUTION**

|                         |         |            |            |
|-------------------------|---------|------------|------------|
| Federal and Other Funds | 526,834 | 2,726,909E | 2,726,909E |
|-------------------------|---------|------------|------------|

|              |                     |                     |                     |
|--------------|---------------------|---------------------|---------------------|
| <b>TOTAL</b> | <b>\$ 1,934,752</b> | <b>\$ 2,794,359</b> | <b>\$ 2,771,366</b> |
|--------------|---------------------|---------------------|---------------------|

|                      |         |        |        |
|----------------------|---------|--------|--------|
| General Revenue Fund | 766,434 | 67,450 | 44,457 |
|----------------------|---------|--------|--------|

|                         |           |           |           |
|-------------------------|-----------|-----------|-----------|
| Federal and Other Funds | 1,168,318 | 2,726,909 | 2,726,909 |
|-------------------------|-----------|-----------|-----------|

The Governor recommends \$2,771,366 and .96 staff for the Livestock Assistance Grant Program.

**DEPARTMENT OF AGRICULTURE  
OFFICE OF THE DIRECTOR  
ETHANOL PRODUCER INCENTIVES**

| H.B. Sec. 14.075 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**TRANSFER**

|                      |              |      |              |
|----------------------|--------------|------|--------------|
| General Revenue Fund | \$ 8,592,800 | \$ 0 | \$ 4,720,191 |
|----------------------|--------------|------|--------------|

|                                 |   |   |          |
|---------------------------------|---|---|----------|
| Petroleum Violation Escrow Fund | 0 | 0 | 375,000E |
|---------------------------------|---|---|----------|

|              |                     |             |                     |
|--------------|---------------------|-------------|---------------------|
| <b>TOTAL</b> | <b>\$ 8,592,800</b> | <b>\$ 0</b> | <b>\$ 5,095,191</b> |
|--------------|---------------------|-------------|---------------------|

The Governor recommends \$5,095,191 for transfer to the Missouri Qualified Fuel Ethanol Producer Incentive Fund for the payment of deferred ethanol producer incentives.

**DEPARTMENT OF AGRICULTURE  
OFFICE OF THE DIRECTOR  
ETHANOL PRODUCER INCENTIVES**

| H.B. Sec. 14.080 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**PROGRAM SPECIFIC DISTRIBUTION**

|                                 |  |  |  |
|---------------------------------|--|--|--|
| Missouri Qualified Fuel Ethanol |  |  |  |
|---------------------------------|--|--|--|

|                         |              |      |              |
|-------------------------|--------------|------|--------------|
| Producer Incentive Fund | \$ 8,592,800 | \$ 0 | \$ 5,095,191 |
|-------------------------|--------------|------|--------------|

The Governor recommends \$5,095,191 to fund the payment of deferred ethanol producer incentives.

**SUPPLEMENTAL APPROPRIATIONS  
DEPARTMENT OF AGRICULTURE  
AGENCY-WIDE**

| H.B. Sec. 14.085      | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|-----------------------|---------------------------|--------------------|------------------------|
| EXPENSE AND EQUIPMENT |                           |                    |                        |
| General Revenue Fund  | \$ 1,241,540              | \$ 98,865          | \$ 23,857              |
| Federal Funds         | 1,860,500                 | 24,295             | 13,879                 |
| Other Funds           | <u>1,729,202</u>          | <u>68,998</u>      | <u>39,416</u>          |
| TOTAL                 | \$ 4,831,242              | \$ 192,158         | \$ 77,152              |

The Governor recommends \$77,152 for motor fuel cost increases.

**DEPARTMENT OF AGRICULTURE  
AGRICULTURE BUSINESS DEVELOPMENT  
AGRICULTURE AND SMALL BUSINESS DEVELOPMENT AUTHORITY**

| H.B. Sec. 14.090              | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|-------------------------------|---------------------------|--------------------|------------------------|
| PROGRAM SPECIFIC DISTRIBUTION |                           |                    |                        |
| General Revenue Fund          | \$ 0                      | \$ 500,000         | \$ 500,000             |
| Federal and/or Other Funds    | <u>500,000</u>            | <u>0</u>           | <u>0</u>               |
| TOTAL                         | \$ 500,000                | \$ 500,000         | \$ 500,000             |

The Governor recommends \$500,000 for the purpose of funding odor abatement competitive grants.

**DEPARTMENT OF ECONOMIC DEVELOPMENT  
DIVISION OF BUSINESS AND COMMUNITY SERVICES**

| H.B. Sec. 14.095                        | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|---|---------------------------|--------------------|------------------------|
| EXPENSE AND EQUIPMENT                   |                           |                    |                        |
| General Revenue Fund                    | \$ 555,900                | \$ 1,000,000       | \$ 983,324             |
| Federal Funds                           | 407,878                   | 0                  | 0                      |
| International Promotions Revolving Fund | 72,238E                   | 0                  | 0                      |
| Missouri Job Development Fund           | 81,389                    | 0                  | 0                      |
| Economic Development Advancement Fund   | <u>3,569,965</u>          | <u>0</u>           | <u>0</u>               |
| TOTAL                                   | \$ 4,687,370              | \$ 1,000,000       | \$ 983,324             |

The Governor recommends \$983,324 to support the sales, marketing, compliance, and finance functions of the department.

**DEPARTMENT OF ECONOMIC DEVELOPMENT  
DIVISION OF BUSINESS AND COMMUNITY SERVICES**

| H.B. Sec. 14.100                    | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|-------------------------------------|---------------------------|--------------------|------------------------|
| PERSONAL SERVICE                    |                           |                    |                        |
| Missouri Technology Investment Fund | \$ 0                      | \$ 50,000          | \$ 50,000              |

The Governor recommends \$50,000 to fund the operations of the Missouri Technology Corporation.

**SUPPLEMENTAL APPROPRIATIONS  
DEPARTMENT OF PUBLIC SAFETY  
MISSOURI STATE HIGHWAY PATROL**

| H.B. Sec. 14.105                                  | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|---|---------------------------|--------------------|------------------------|
| EXPENSE AND EQUIPMENT                             |                           |                    |                        |
| General Revenue Fund                              | \$ 213,994                | \$ 114,512         | \$ 61,147              |
| Gaming Commission Fund                            | 246,329                   | 114,512            | 104,796                |
| State Highways and Transportation Department Fund | <u>2,449,031</u>          | <u>916,092</u>     | <u>301,275</u>         |
| TOTAL   | \$ 2,909,354              | \$ 1,145,116       | \$ 467,218             |

The Governor recommends \$467,218 for motor fuel cost increases.

**DEPARTMENT OF PUBLIC SAFETY  
MISSOURI STATE WATER PATROL**

| H.B. Sec. 14.110      | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|-----------------------|---------------------------|--------------------|------------------------|
| EXPENSE AND EQUIPMENT |                           |                    |                        |
| General Revenue Fund  | \$ 712,902                | \$ 100,000         | \$ 73,784              |

The Governor recommends \$73,784 for motor fuel cost increases.

**DEPARTMENT OF PUBLIC SAFETY  
DIVISION OF FIRE SAFETY**

| H.B. Sec. 14.115                        | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|---|---------------------------|--------------------|------------------------|
| EXPENSE AND EQUIPMENT                   |                           |                    |                        |
| General Revenue Fund                    | \$ 164,768                | \$ 45,000          | \$ 32,319              |
| Elevator Safety Fund                    | 91,646                    | 5,000              | 3,525                  |
| Boiler and Pressure Vessels Safety Fund | <u>121,210</u>            | <u>5,000</u>       | <u>3,525</u>           |
| TOTAL                                   | \$ 377,624                | \$ 55,000          | \$ 39,369              |

The Governor recommends \$39,369 for motor fuel cost increases.

**DEPARTMENT OF PUBLIC SAFETY  
OFFICE OF THE ADJUTANT GENERAL  
VETERANS' RECOGNITION PROGRAM**

| H.B. Sec. 14.120                                    | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|---|---------------------------|--------------------|------------------------|
| PERSONAL SERVICE                                    | \$ 44,332                 | \$ 37,709          | \$ 0                   |
| EXPENSE AND EQUIPMENT                               | <u>36,040</u>             | <u>273,754</u>     | <u>273,754</u>         |
| TOTAL   |                           |                    |                        |
| Veterans' Commission Capital Improvement Trust Fund | \$ 80,372                 | \$ 311,463         | \$ 273,754             |

The Governor recommends \$273,754 to begin the Vietnam Veterans' Recognition Program created by HB 978 (2006).

**SUPPLEMENTAL APPROPRIATIONS  
DEPARTMENT OF PUBLIC SAFETY  
OFFICE OF THE ADJUTANT GENERAL  
MISSOURI MILITARY FORCES FIELD SUPPORT**

| H.B. Sec. 14.125      | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|-----------------------|---------------------------|--------------------|------------------------|
| PERSONAL SERVICE      |                           |                    |                        |
| General Revenue Fund  | \$ 731,516                | \$ 3,450           | \$ 0                   |
| Federal Funds         | 17,124                    | 10,352             | 10,352                 |
| EXPENSE AND EQUIPMENT |                           |                    |                        |
| General Revenue Fund  | 393,184                   | 16,701             | 4,905                  |
| Federal Funds         | <u>10,488E</u>            | <u>50,105</u>      | <u>50,105</u>          |
| TOTAL                 | \$ 1,152,312              | \$ 80,608          | \$ 65,362              |
| General Revenue Fund  | 1,124,700                 | 20,151             | 4,905                  |
| Federal Funds         | 27,612                    | 60,457             | 60,457                 |

The Governor recommends \$65,362 and .5 staff for start up costs for the Chippewa armory.

**DEPARTMENT OF PUBLIC SAFETY  
OFFICE OF THE ADJUTANT GENERAL  
MISSOURI MILITARY FORCES CONTRACT SERVICES**

| H.B. Sec. 14.130      | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|-----------------------|---------------------------|--------------------|------------------------|
| EXPENSE AND EQUIPMENT |                           |                    |                        |
| General Revenue Fund  | \$ 9,862                  | \$ 69,731          | \$ 69,435              |
| Federal Funds         | <u>4,969,211E</u>         | <u>164,003</u>     | <u>164,003</u>         |
| TOTAL                 | \$ 4,979,073              | \$ 233,734         | \$ 233,438             |

The Governor recommends \$77,264 for increased broadband communication costs, \$20,000 for the St. Joseph Airport use agreement, and \$136,174 for increased utility costs.

**DEPARTMENT OF MENTAL HEALTH  
OFFICE OF THE DIRECTOR**

| H.B. Sec. 14.135              | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|-------------------------------|---------------------------|--------------------|------------------------|
| PROGRAM SPECIFIC DISTRIBUTION |                           |                    |                        |
| General Revenue Fund          | \$ 49,217                 | \$ 1E              | \$ 1E                  |

The Governor recommends \$1 on an open-ended basis to fund insurance, private pay, licensure fee, and/or Medicaid refunds by state facilities.

**DEPARTMENT OF MENTAL HEALTH  
OFFICE OF THE DIRECTOR**

| H.B. Sec. 14.140      | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|-----------------------|---------------------------|--------------------|------------------------|
| PERSONAL SERVICE      | \$ 106,496E               | \$ 408,144E        | \$ 408,144E            |
| EXPENSE AND EQUIPMENT | <u>1,794,378E</u>         | <u>1,706,789E</u>  | <u>1,706,789E</u>      |
| Federal Funds         | \$ 1,900,874              | \$ 2,114,933       | \$ 2,114,933           |

The Governor recommends \$2,114,933 on an open-ended basis and 6.26 staff for federal grants to begin the Mental Health Transformation Grant and the Circle of H.O.P.E. System of Care Grant.

**SUPPLEMENTAL APPROPRIATIONS  
DEPARTMENT OF MENTAL HEALTH  
AGENCY-WIDE**

| H.B. Sec. 14.145 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**EXPENSE AND EQUIPMENT**

General Revenue Fund

\$ 0 \$ 284,686 \$ 221,111

The Governor recommends \$221,111 for motor fuel cost increases.

**DEPARTMENT OF MENTAL HEALTH  
AGENCY-WIDE  
FUEL AND UTILITIES**

| H.B. Sec. 14.150 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**EXPENSE AND EQUIPMENT**

General Revenue Fund

\$ 7,730,257 \$ 1,172,120 \$ 789,687

The Governor recommends \$789,687 for natural gas and electricity cost increases.

**DEPARTMENT OF MENTAL HEALTH  
DIVISION OF COMPREHENSIVE PSYCHIATRIC SERVICES  
FULTON STATE HOSPITAL**

| H.B. Sec. 14.155 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**PERSONAL SERVICE**

\$ 38,480,336 \$ 519,784 \$ 0

**EXPENSE AND EQUIPMENT**

6,486,721 2,109,639 1,280,411

TOTAL

General Revenue Fund

\$ 44,967,057 \$ 2,629,423 \$ 1,280,411

The Governor recommends \$1,280,411 to operate a twenty-five bed ward in a forensic intermediate security unit.

**DEPARTMENT OF MENTAL HEALTH  
DIVISION OF MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES**

| H.B. Sec. 14.160 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**PERSONAL SERVICE**

General Revenue Fund

\$ 1,874,972 \$ 1,474,043 \$ 928,125

**EXPENSE AND EQUIPMENT**

General Revenue Fund

1,969,182 2,140,627 1,806,552

Federal Funds

0 796,050 596,050

**PROGRAM SPECIFIC DISTRIBUTION**

General Revenue Fund

0 1,351,250 1,351,250

Federal Funds

0 2,166,714E 2,166,714E

TOTAL

\$ 3,844,154 \$ 7,928,684 \$ 6,848,691

General Revenue Fund

3,844,154 4,965,920 4,085,927

Federal Funds

0 2,962,764 2,762,764

The Governor recommends \$6,848,691 and 64.22 staff to pay for staffing ratios, Bellefontaine Habilitation Center operations, training contracts, and community transition.

**SUPPLEMENTAL APPROPRIATIONS  
DEPARTMENT OF MENTAL HEALTH  
AGENCY-WIDE**

| H.B. Sec. 14.165 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**PERSONAL SERVICE**

|                      |              |              |              |
|----------------------|--------------|--------------|--------------|
| General Revenue Fund | \$ 8,797,464 | \$ 3,350,955 | \$ 3,278,024 |
|----------------------|--------------|--------------|--------------|

The Governor recommends \$3,278,024 for expected increases in overtime costs.

**DEPARTMENT OF HEALTH AND SENIOR SERVICES  
STATE PUBLIC HEALTH LABORATORY**

| H.B. Sec. 14.170 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**EXPENSE AND EQUIPMENT**

|                                      |                     |                   |                   |
|--------------------------------------|---------------------|-------------------|-------------------|
| General Revenue Fund                 | \$ 1,163,759        | \$ 0              | \$ 0              |
| Federal Funds                        | 1,292,389           | 0                 | 0                 |
| Missouri Public Health Services Fund | 2,178,208           | 968,744           | 968,744           |
| Childhood Lead Testing Fund          | 99,986              | 0                 | 0                 |
| <b>TOTAL</b>                         | <b>\$ 4,734,342</b> | <b>\$ 968,744</b> | <b>\$ 968,744</b> |

The Governor recommends \$968,744 to begin screening for cystic fibrosis and continue expanded newborn screening as well as cover inflationary costs.

**DEPARTMENT OF HEALTH AND SENIOR SERVICES  
DIVISION OF COMMUNITY AND PUBLIC HEALTH**

| H.B. Sec. 14.175 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**EXPENSE AND EQUIPMENT**

|                      |                      |                     |                     |
|----------------------|----------------------|---------------------|---------------------|
| General Revenue Fund | \$ 9,615,876         | \$ 8,734,072        | \$ 8,734,072        |
| Federal Funds        | 38,430,528           | 0                   | 0                   |
| Other Funds          | 6,725,014            | 0                   | 0                   |
| <b>TOTAL</b>         | <b>\$ 54,771,418</b> | <b>\$ 8,734,072</b> | <b>\$ 8,734,072</b> |

The Governor recommends \$8,734,072 to purchase antiviral agents to be used in the event of a pandemic flu outbreak.

**DEPARTMENT OF HEALTH AND SENIOR SERVICES  
DIVISION OF SENIOR AND DISABILITY SERVICES  
HOME AND COMMUNITY SERVICES**

| H.B. Sec. 14.180 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**PROGRAM SPECIFIC DISTRIBUTION**

|                                  |                      |                     |                     |
|----------------------------------|----------------------|---------------------|---------------------|
| General Revenue Fund             | \$ 10,404,387        | \$ 2,188,602        | \$ 1,944,789        |
| Federal Funds                    | 1,667,028            | 0                   | 0                   |
| Division of Aging Donations Fund | 50,000               | 0                   | 0                   |
| <b>TOTAL</b>                     | <b>\$ 12,121,415</b> | <b>\$ 2,188,602</b> | <b>\$ 1,944,789</b> |

The Governor recommends \$1,944,789 for the Non-Medicaid In-Home Program.

**SUPPLEMENTAL APPROPRIATIONS  
DEPARTMENT OF SOCIAL SERVICES  
OFFICE OF ADMINISTRATION  
FUEL AND UTILITIES**

| H.B. Sec. 14.185              | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|-------------------------------|---------------------------|--------------------|------------------------|
| EXPENSE AND EQUIPMENT         |                           |                    |                        |
| General Revenue Fund          | \$ 400,363                | \$ 160,774         | \$ 148,763             |
| Federal Funds                 | 664,474                   | 0                  | 0                      |
| DSS Administrative Trust Fund | 197,665                   | 0                  | 0                      |
| Health Initiatives Fund       | 999                       | 0                  | 0                      |
| TOTAL                         | \$ 1,263,501              | \$ 160,774         | \$ 148,763             |

The Governor recommends \$148,763 for the increased cost of fuel and utilities for state buildings.

**DEPARTMENT OF SOCIAL SERVICES  
DIVISION OF MEDICAL SERVICES  
ADMINISTRATION – INFORMATION SYSTEMS**

| H.B. Sec. 14.190           | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|----------------------------|---------------------------|--------------------|------------------------|
| EXPENSE AND EQUIPMENT      |                           |                    |                        |
| General Revenue Fund       | \$ 5,697,417              | \$ 650,000         | \$ 0                   |
| Federal Funds              | 19,851,039                | 650,000            | 650,000                |
| Healthcare Technology Fund | 0                         | 0                  | 650,000                |
| TOTAL                      | \$ 25,548,456             | \$ 1,300,000       | \$ 1,300,000           |

The Governor recommends \$1,300,000 to fund the shift of the Provider Communications Unit responsibilities to the contractor so the unit staff can support the Medicaid Management Information System (MMIS) modernization effort.

**SECRETARY OF STATE  
ELECTIONS COSTS**

| H.B. Sec. 14.195     | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|----------------------|---------------------------|--------------------|------------------------|
| TRANSFER             |                           |                    |                        |
| General Revenue Fund | \$ 0                      | \$ 121,203         | \$ 121,203             |

The Governor recommends \$121,203 for transfer to the Election Administration Improvement Fund for the implementation of SBs 1014 and 730 (2006).

**SECRETARY OF STATE  
LIBRARY NETWORKING GRANTS**

| H.B. Sec. 14.200     | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|----------------------|---------------------------|--------------------|------------------------|
| TRANSFER             |                           |                    |                        |
| General Revenue Fund | \$ 550,000                | \$ 100,000         | \$ 100,000             |

The Governor recommends \$100,000 for transfer to the Library Networking Fund.

**SUPPLEMENTAL APPROPRIATIONS  
ATTORNEY GENERAL**

| H.B. Sec. 14.205                      | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|---------------------------------------|---------------------------|--------------------|------------------------|
| <b>PERSONAL SERVICE</b>               |                           |                    |                        |
| General Revenue Fund                  | \$ 11,436,861             | \$ 50,000          | \$ 50,000              |
| Federal Funds                         | 1,597,764                 | 0                  | 0                      |
| Petroleum Storage Tank Insurance Fund | 23,667                    | 13,750             | 13,750                 |
| Other Funds                           | 3,610,158                 | 0                  | 0                      |
| <b>EXPENSE AND EQUIPMENT</b>          |                           |                    |                        |
| General Revenue Fund                  | 1,598,892                 | 52,853             | 52,853                 |
| Federal Funds                         | 526,011                   | 0                  | 0                      |
| Petroleum Storage Tank Insurance Fund | 0                         | 9,820              | 9,820                  |
| Other Funds                           | 3,655,966                 | 0                  | 0                      |
| <b>TOTAL</b>                          | <b>\$ 22,449,319</b>      | <b>\$ 126,423</b>  | <b>\$ 126,423</b>      |
| General Revenue Fund                  | 13,035,753                | 102,853            | 102,853                |
| Federal Funds                         | 2,123,775                 | 0                  | 0                      |
| Petroleum Storage Tank Insurance Fund | 23,667                    | 23,570             | 23,570                 |
| Other Funds                           | 7,266,124                 | 0                  | 0                      |

The Governor recommends \$18,946 and .25 staff for a Crime Victims' Advocate; \$39,890 and .5 staff for representation of the Missouri Commission on Human Rights; \$18,446 and .25 staff for enforcement of Amendment 2 (2006); \$25,571 and .25 staff for the enforcement of HB 1698 (2006); and \$23,570 and .25 staff to support increased compliance of the Petroleum Storage Tank Insurance Fund requirements.

**JUDICIARY  
SUPREME COURT**

| H.B. Sec. 14.210                     | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|--------------------------------------|---------------------------|--------------------|------------------------|
| <b>PROGRAM SPECIFIC DISTRIBUTION</b> |                           |                    |                        |
| Basic Civil Legal Services Fund      | \$ 3,200,000              | \$ 35,815          | \$ 35,815              |

The Governor recommends \$35,815 for increased collection authority for the Basic Civil Legal Services Fund.

**JUDICIARY  
OFFICE OF STATE COURTS ADMINISTRATOR  
FINE COLLECTION CENTER**

| H.B. Sec. 14.215             | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------------------|---------------------------|--------------------|------------------------|
| <b>EXPENSE AND EQUIPMENT</b> |                           |                    |                        |
| General Revenue Fund         | \$ 1,551,918              | \$ 516,610         | \$ 516,610             |

The Governor recommends \$516,610 for contractual increases related to the Fine Collection Center.



**SUPPLEMENTAL APPROPRIATIONS  
MISSOURI STATE PUBLIC DEFENDER  
AGENCY-WIDE  
LEGAL SERVICES**

| H.B. Sec. 14.220 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**EXPENSE AND EQUIPMENT**

|                      |              |            |            |
|----------------------|--------------|------------|------------|
| General Revenue Fund | \$ 3,237,191 | \$ 415,500 | \$ 415,500 |
|----------------------|--------------|------------|------------|

The Governor recommends \$415,500 for costs related to increased caseload.

**MISSOURI STATE PUBLIC DEFENDER  
AGENCY-WIDE  
LEGAL DEFENSE AND DEFENDER FUND**

| H.B. Sec. 14.225 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**EXPENSE AND EQUIPMENT**

|                                 |              |              |              |
|---------------------------------|--------------|--------------|--------------|
| Legal Defense and Defender Fund | \$ 1,850,756 | \$ 1,000,000 | \$ 1,000,000 |
|---------------------------------|--------------|--------------|--------------|

The Governor recommends \$1,000,000 for increased appropriation authority due to increased collections in the Legal Defense and Defender Fund.

**MISSOURI STATE UNIVERSITY**

| H.B. Sec. 14.230 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**PROGRAM SPECIFIC DISTRIBUTION**

|                       |      |      |            |
|-----------------------|------|------|------------|
| Lottery Proceeds Fund | \$ 0 | \$ 0 | \$ 500,000 |
|-----------------------|------|------|------------|

The Governor recommends \$500,000 for laboratory renovations and the purchase of engineering equipment for the Cooperative Engineering Program with the University of Missouri-Rolla.

**UNIVERSITY OF MISSOURI**

| H.B. Sec. 14.235 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**PROGRAM SPECIFIC DISTRIBUTION**

|                       |      |      |            |
|-----------------------|------|------|------------|
| Lottery Proceeds Fund | \$ 0 | \$ 0 | \$ 500,000 |
|-----------------------|------|------|------------|

The Governor recommends \$500,000 for laboratory renovations and the purchase of engineering equipment at the Rolla campus for the Cooperative Engineering Program with Missouri State University.

**SUPPLEMENTAL APPROPRIATIONS**  
**OFFICE OF ADMINISTRATION**  
**DIVISION OF FACILITIES MANAGEMENT, DESIGN AND CONSTRUCTION**

| H.B. Sec. 14.240 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**TRANSFER**

|                      |               |              |              |
|----------------------|---------------|--------------|--------------|
| General Revenue Fund | \$ 60,686,755 | \$ 4,221,951 | \$ 4,221,951 |
|----------------------|---------------|--------------|--------------|

The Governor recommends \$4,221,951 to transfer the full Fiscal Year 2007 amount to the Facilities Maintenance Reserve Fund as required by Article IV, Section 27(b).

**OFFICE OF ADMINISTRATION**  
**BOARD OF PUBLIC BUILDINGS**  
**STATE PUBLIC HEALTH LABORATORY**

| H.B. Sec. 14.245 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**PROGRAM SPECIFIC DISTRIBUTION**

|  |              |              |              |
|--|--------------|--------------|--------------|
| Board of Public Buildings Bond Proceeds Fund | \$ 2,470,891 | \$ 1,500,000 | \$ 1,500,000 |
|--|--------------|--------------|--------------|

The Governor recommends \$1,500,000 to cover additional unforeseen costs incurred at the new health lab site.

**OFFICE OF ADMINISTRATION**  
**DEPARTMENT OF PUBLIC SAFETY**

| H.B. Sec. 14.250 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**PROGRAM SPECIFIC DISTRIBUTION**

|   |      |            |            |
|---|------|------------|------------|
| State Highways and Transportation Department Fund | \$ 0 | \$ 850,000 | \$ 850,000 |
|---|------|------------|------------|

The Governor recommends \$850,000 to begin phase I of the Radio Interoperability Implementation Project.

**DEPARTMENT OF SOCIAL SERVICES**  
**FAMILY SUPPORT DIVISION**  
**LOW INCOME HOME ENERGY ASSISTANCE PROGRAM**

| H.B. Sec. 15.005 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**TRANSFER**

|                      |      |      |              |
|----------------------|------|------|--------------|
| General Revenue Fund | \$ 0 | \$ 0 | \$ 6,317,148 |
|----------------------|------|------|--------------|

The Governor recommends \$6,317,148 for transfer to the Utilicare Stabilization Fund for the Low Income Home Energy Program.

**SUPPLEMENTAL APPROPRIATIONS  
DEPARTMENT OF SOCIAL SERVICES  
FAMILY SUPPORT DIVISION  
LOW INCOME ENERGY ASSISTANCE PROGRAM**

| H.B. Sec. 15.010 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**PROGRAM SPECIFIC DISTRIBUTION**

|                              |    |   |    |   |    |           |
|------------------------------|----|---|----|---|----|-----------|
| Utilecare Stabilization Fund | \$ | 0 | \$ | 0 | \$ | 6,317,148 |
|------------------------------|----|---|----|---|----|-----------|

The Governor recommends \$6,317,148 for the Low Income Home Energy Assistance Program.

**DEPARTMENT OF HIGHER EDUCATION  
DIVISION OF STUDENT FINANCIAL AID  
CHARLES E. GALLAGHER GRANTS PROGRAM**

| H.B. Sec. 16.005 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**TRANSFER**

|  |           |                   |           |          |           |                   |
|--|-----------|-------------------|-----------|----------|-----------|-------------------|
| General Revenue Fund                     | \$        | 17,107,854        | \$        | 0        | \$        | 16,666,667        |
| Federal Funds                            |           | 1,000,000E        |           | 0        |           | 0                 |
| Missouri Student Grant Program Gift Fund |           | 50,000E           |           | 0        |           | 0                 |
| <b>TOTAL</b>                             | <b>\$</b> | <b>18,157,854</b> | <b>\$</b> | <b>0</b> | <b>\$</b> | <b>16,666,667</b> |

The Governor recommends \$16,666,667 for transfer to the Student Grant Fund to provide funding for an additional 12,674 eligible Charles E. Gallagher Student Financial Assistant Program applicants.

**DEPARTMENT OF HIGHER EDUCATION  
DIVISION OF STUDENT FINANCIAL AID  
CHARLES E. GALLAGHER GRANTS PROGRAM**

| H.B. Sec. 16.010 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**PROGRAM SPECIFIC DISTRIBUTION**

|                    |    |             |    |   |    |             |
|--------------------|----|-------------|----|---|----|-------------|
| Student Grant Fund | \$ | 18,157,854E | \$ | 0 | \$ | 16,666,667E |
|--------------------|----|-------------|----|---|----|-------------|

The Governor recommends \$16,666,667 on an open-ended basis to provide funding for an additional 12,674 eligible Charles E. Gallagher Student Financial Assistant Program applicants.

**DEPARTMENT OF HIGHER EDUCATION  
DIVISION OF STUDENT FINANCIAL AID  
MISSOURI COLLEGE GUARANTEE PROGRAM**

| H.B. Sec. 16.015 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**TRANSFER**

|                       |           |                  |           |          |           |                  |
|-----------------------|-----------|------------------|-----------|----------|-----------|------------------|
| General Revenue Fund  | \$        | 1,195,582        | \$        | 0        | \$        | 0                |
| Lottery Proceeds Fund |           | 2,750,000        |           | 0        |           | 8,333,333        |
| <b>TOTAL</b>          | <b>\$</b> | <b>3,945,582</b> | <b>\$</b> | <b>0</b> | <b>\$</b> | <b>8,333,333</b> |

The Governor recommends \$8,333,333 for transfer to the Missouri College Guarantee Fund to provide funding for an additional 3,987 eligible Missouri College Guarantee Student Financial Assistant Program applicants.

**SUPPLEMENTAL APPROPRIATIONS  
DEPARTMENT OF HIGHER EDUCATION  
DIVISION OF STUDENT FINANCIAL AID  
MISSOURI COLLEGE GUARANTEE PROGRAM**

| H.B. Sec. 16.020 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**PROGRAM SPECIFIC DISTRIBUTION**  
Missouri College Guarantee Fund

\$ 9,155,582E \$ 0 \$ 8,333,333E

The Governor recommends \$8,333,333 on an open-ended basis to provide funding for an additional 3,987 eligible Missouri College Guarantee Student Financial Assistant Program applicants.

**DEPARTMENT OF HEALTH AND SENIOR SERVICES  
DIVISION OF COMMUNITY AND PUBLIC HEALTH**

| H.B. Sec. 16.025 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**PROGRAM SPECIFIC DISTRIBUTION**  
General Revenue Fund  
Health Access Incentive Fund  
TOTAL

|              |      |              |
|--------------|------|--------------|
| \$ 0         | \$ 0 | \$ 3,400,000 |
| 3,021,500    | 0    | 0            |
| \$ 3,021,500 | \$ 0 | \$ 3,400,000 |

The Governor recommends \$2,400,000 for the Primary Care Resource Initiative Program (PRIMO) and \$1,000,000 for Area Health Education Centers (AHEC).

**DEPARTMENT OF SOCIAL SERVICES  
DIVISION OF MEDICAL SERVICES  
FEDERALLY QUALIFIED HEALTH CENTERS**

| H.B. Sec. 16.030 | ORIGINAL<br>APPROPRIATION | CURRENT<br>REQUEST | GOVERNOR<br>RECOMMENDS |
|------------------|---------------------------|--------------------|------------------------|
|------------------|---------------------------|--------------------|------------------------|

**PROGRAM SPECIFIC DISTRIBUTION**  
General Revenue Fund

\$ 9,000,000 \$ 0 \$ 60,000,000

The Governor recommends \$60,000,000 for infrastructure grants to Federally Qualified Health Centers.

# CAPITAL IMPROVEMENTS

## POLICY SUMMARY

The State of Missouri owns and operates many facilities throughout the state. These facilities serve as the base from which essential state services are provided. Good stewardship of state facilities demands adequate resources be devoted to facility upkeep. Governor Blunt's capital improvements budget for the Fiscal Year 2008-2009 biennium focuses on essential maintenance, repair, and corrective construction needed to adequately maintain state assets.

Missouri uses a biennial appropriations process for capital improvements. A biennial approach permits the state to complete projects more efficiently and economically, improves capital planning, and reduces the need for reappropriations. Table 1 summarizes the \$270.4 million capital improvements program for the Fiscal Years 2008-2009 biennial budget:

- \$139.4 million is recommended for Fiscal Year 2008, including \$84.4 million general revenue.
- \$131.0 million is recommended for Fiscal Year 2009, including \$83.0 million general revenue.

Tables 2 and 3 illustrate the allocation of funds among state agencies for the projects recommended by the Governor for Fiscal Years 2008-2009. As the tables indicate, the Governor recommends:

- \$169.1 million for vital maintenance and repairs to state-owned facilities, including \$147.4 general revenue.
- \$101.3 million for planning, renovation, new construction, land acquisition, and other improvements, including \$20.0 million general revenue.

### **ENHANCING THE SAFETY OF MISSOURIANS**

Public safety remains a top concern for Governor Blunt. State and local agencies must have the appropriate facilities, equipment and infrastructure to respond to emergency situations and to protect Missourians. The Governor recommends \$15.8 million for public safety construction and maintenance projects in the biennial budget, including:

- \$8.1 million for the first phases of implementing a statewide interoperable radio system to facilitate communication during emergency situations.
- \$5.3 million for construction, maintenance and repair projects at Highway Patrol facilities, including \$750,000 for a new commercial drivers licensing site in Hannibal.
- \$1.9 million for a joint project with the city of Springfield to build a state, full-service crime lab in Springfield.
- \$500,000 for a state satellite crime lab in Jasper County.

### **ENHANCING MISSOURI STATE PARKS AND HISTORIC SITES**

Since the one-tenth of one percent Parks and Soil Sales Tax was first approved in 1984, visitors to our state parks and historic sites have benefited greatly. The Department of Natural Resources has used the sales tax proceeds to remodel campgrounds, pave campground roads, build new shower houses and restrooms, make landscape and building renovations, and provide new education and site interpretation centers and programs. The Governor recommends \$11.3 million for construction and maintenance projects at Missouri state parks and historic sites in the biennial budget, including:

- \$6.8 million for various maintenance and repair projects statewide.
- \$4.5 million for construction, major renovations, and improvements to state park facilities and historic sites.

### **OTHER CAPITAL IMPROVEMENTS**

The Governor's budget includes funds to improve state office buildings for program use and to take essential preservation actions to maintain the structural integrity of Missouri government facilities. State agencies need well-maintained facilities in order to serve the public effectively. The Fiscal Years 2008-2009 budget includes:

- \$44.0 million to acquire, develop, improve, and repair Department of Conservation facilities.
- \$36.4 million for construction, maintenance and repair projects at Department of Corrections' facilities, including \$700,000 general revenue.
- \$31.7 million for maintenance and repairs at Department of Mental Health facilities.
- \$16.7 million for projects at Missouri National Guard facilities.
- \$10.2 million for construction, major renovations, improvements, maintenance and repair projects at State Board Operated Schools, the Missouri School for the Blind, and the Missouri School for the Deaf.
- \$5.6 million for an adjacent land purchase, construction, maintenance and repair projects at the Missouri State Fairgrounds, including \$4.3 million general revenue.
- \$3.2 million for maintenance and repair projects at veterans' homes.
- \$3.0 million for maintenance and repair projects at Department of Social Services facilities.
- \$2.1 million for construction, maintenance and repair projects at Department of Labor and Industrial Relations facilities.

**TABLE 1****FISCAL YEARS 2008 - 2009 CAPITAL IMPROVEMENTS SUMMARY**

|                                   | <b>General<br/>Revenue</b> | <b>Facilities<br/>Maintenance<br/>Reserve Fund*</b> | <b>Federal</b> | <b>Other<br/>Funds</b> | <b>Total</b>   |
|-----------------------------------|----------------------------|---|----------------|------------------------|----------------|
| Maintenance and Repair            |                            |   |                |                        |                |
| First Year of Biennium            | \$ 350,000                 | \$ 71,923,804                                       | \$ 3,173,382   | \$ 7,356,613           | \$ 82,803,799  |
| Second Year of Biennium           | 350,000                    | 75,544,605  | 3,173,381      | 7,207,433              | 86,275,419     |
| Subtotal                          | 700,000                    | 147,468,409   | 6,346,763      | 14,564,046             | 169,079,218    |
| Construction                      |                            |   |                |                        |                |
| First Year of Biennium            | 12,301,718                 | 0   | 4,975,000      | 39,271,120             | 56,547,838     |
| Second Year of Biennium           | 7,743,660                  | 0   | 2,975,000      | 34,004,809             | 44,723,469     |
| Subtotal                          | 20,045,378                 | 0   | 7,950,000      | 73,275,929             | 101,271,307    |
| Total for First Year of Biennium  | 12,651,718                 | 71,923,804  | 8,148,382      | 46,627,733             | 139,351,637    |
| Total for Second Year of Biennium | 8,093,660                  | 75,544,605  | 6,148,381      | 41,212,242             | 130,998,888    |
| Grand Total                       | \$ 20,745,378              | \$ 147,468,409                                      | \$ 14,296,763  | \$ 87,839,975          | \$ 270,350,525 |

\*These expenditures will be funded through a general revenue transfer.

\*Does not include \$7,571,951 million recommended in the Fiscal Year 2007 Supplemental Appropriations, including \$4,221,951 million general revenue. See the Supplemental section of the Missouri Budget for details regarding the Capital Improvement supplemental appropriations.

**TABLE 2****FISCAL YEARS 2008 - 2009 CAPITAL IMPROVEMENTS SUMMARY****MAINTENANCE AND REPAIR**

|  | <b>General<br/>Revenue</b> | <b>Facilities<br/>Maintenance<br/>Reserve Fund*</b> | <b>Federal</b>      | <b>Other<br/>Funds</b> | <b>Total</b>          |
|--|----------------------------|---|---------------------|------------------------|-----------------------|
| Elementary and Secondary Education     | \$ 0                       | \$ 9,611,054  | \$ 0                | \$ 0                   | \$ 9,611,054          |
| Office of Administration and Statewide | 700,000                    | 59,119,557  | 296,763             | 2,085,511              | 62,201,831            |
| Agriculture                            | 0                          | 1,254,553   | 0                   | 0                      | 1,254,553             |
| Natural Resources                      | 0                          | 164,128   | 50,000              | 6,580,000              | 6,794,128             |
| Labor and Industrial Relations         | 0                          | 799,530   | 0                   | 1,320,443              | 2,119,973             |
| Public Safety                          | 0                          | 8,055,079   | 6,000,000           | 4,578,092              | 18,633,171            |
| Corrections                            | 0                          | 33,712,071  | 0                   | 0                      | 33,712,071            |
| Mental Health                          | 0                          | 31,703,490  | 0                   | 0                      | 31,703,490            |
| Social Services                        | 0                          | 3,048,947   | 0                   | 0                      | 3,048,947             |
| <b>TOTAL</b>                           | <b>\$ 700,000</b>          | <b>\$ 147,468,409</b>                               | <b>\$ 6,346,763</b> | <b>\$ 14,564,046</b>   | <b>\$ 169,079,218</b> |

\*These expenditures will be funded through a general revenue transfer.

\*Does not include \$7,571,951 million recommended in the Fiscal Year 2007 Supplemental Appropriations, including \$4,221,951 million general revenue. See the Supplemental section of the Missouri Budget for details regarding the Capital Improvement supplemental appropriations.

**TABLE 3**  
**FISCAL YEARS 2008 - 2009 CAPITAL IMPROVEMENTS SUMMARY**  
**CONSTRUCTION**

|  | <u>General<br/>Revenue</u> | <u>Federal</u>      | <u>Other<br/>Funds</u> | <u>Total</u>          |
|--|----------------------------|---------------------|------------------------|-----------------------|
| Elementary & Secondary Education       | \$ 0                       | \$ 0                | \$ 583,115             | \$ 583,115            |
| Higher Education                       | 200,000                    | 0                   | 10,000,000             | 10,200,000            |
| Transportation                         | 4,000,000                  | 0                   | 0                      | 4,000,000             |
| Office of Administration and Statewide | 6,245,440                  | 0                   | 1,000,000              | 7,245,440             |
| Agriculture                            | 4,337,500                  | 0                   | 0                      | 4,337,500             |
| Natural Resources                      | 0                          | 50,000              | 4,450,000              | 4,500,000             |
| Conservation                           | 0                          | 0                   | 44,000,000             | 44,000,000            |
| Economic Development                   | 138,000                    | 0                   | 0                      | 138,000               |
| Public Safety                          | 2,400,000                  | 5,900,000           | 13,242,814             | 21,542,814            |
| Corrections                            | 697,152                    | 2,000,000           | 0                      | 2,697,152             |
| Social Services                        | <u>2,027,286</u>           | <u>0</u>            | <u>0</u>               | <u>2,027,286</u>      |
| <b>TOTAL</b>                           | <b>\$ 20,045,378</b>       | <b>\$ 7,950,000</b> | <b>\$ 73,275,929</b>   | <b>\$ 101,271,307</b> |

\*Does not include \$7,571,951 million recommended in the Fiscal Year 2007 Supplemental Appropriations, including \$4,221,951 million general revenue. See the Supplemental section of the Missouri Budget for details regarding the Capital Improvement supplemental appropriations.



# ELECTED OFFICIALS

## FINANCIAL SUMMARY

|  | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDED*<br>FY 2008 |
|--|------------------------|--------------------------|-------------------------------------|
| Office of the Chief Executive                          | \$ 2,611,636           | \$ 2,060,752             | \$ 2,111,731                        |
| Lieutenant Governor                                    | 411,407                | 724,734                  | 433,269                             |
| Secretary of State                                     | 51,261,595             | 72,757,682               | 60,020,036                          |
| State Auditor  | 6,443,694              | 8,208,478                | 8,423,360                           |
| State Treasurer  | 28,529,234             | 19,838,374               | 19,895,717                          |
| Attorney General                                       | 26,068,725             | 26,748,551               | 27,654,534                          |
| <b>TOTAL</b>   | <b>\$ 115,326,291</b>  | <b>\$ 130,338,571</b>    | <b>\$ 118,538,647</b>               |
| General Revenue Fund                                   | 47,950,908             | 46,224,199               | 48,435,005                          |
| Federal Funds  | 5,577,508              | 9,078,053                | 9,226,200                           |
| National Endowment for the Humanities Fund             | 66,172                 | 228,060                  | 265,144                             |
| Election Administration Improvement Fund               | 24,650,466             | 28,478,795               | 13,470,631                          |
| Election Improvement Revolving Loan Fund               | 327,551                | 396,185                  | 396,185                             |
| State Treasurer's General Operations Fund              | 1,571,656              | 1,729,744                | 1,770,624                           |
| Treasurer's Information Fund                           | 91,779                 | 8,000                    | 8,000                               |
| Secretary of State's Technology Trust Fund Account     | 1,428,882              | 3,006,637                | 3,161,139                           |
| Gaming Commission Fund                                 | 128,483                | 133,756                  | 136,846                             |
| Central Check Mailing Service Revolving Fund           | 145,952                | 246,659                  | 247,309                             |
| Natural Resources Protection Fund - Water              |                        |                          |                                     |
| Pollution Permit Fee Subaccount                        | 37,899                 | 39,226                   | 40,261                              |
| Solid Waste Management Fund                            | 38,399                 | 39,726                   | 40,761                              |
| Local Records Preservation Fund                        | 1,509,577              | 1,867,080                | 2,130,101                           |
| Petroleum Storage Tank Insurance Fund                  | 22,757                 | 23,667                   | 88,077                              |
| Motor Vehicle Commission Fund                          | 39,592                 | 47,276                   | 48,355                              |
| Health Spa Regulatory Fund                             | 4,445                  | 5,000                    | 5,000                               |
| Natural Resources Protection Fund - Air                |                        |                          |                                     |
| Pollution Permit Fee Subaccount                        | 37,875                 | 39,201                   | 40,236                              |
| Attorney General's Court Costs Fund                    | 187,000                | 187,000                  | 187,000                             |
| Conservation Commission Fund                           | 41,522                 | 43,180                   | 44,397                              |
| Parks Sales Tax Fund                                   | 19,483                 | 20,262                   | 20,870                              |
| Soil and Water Sales Tax Fund                          | 32,109                 | 33,302                   | 34,233                              |
| Merchandising Practices Revolving Fund                 | 1,554,057              | 2,526,725                | 2,546,152                           |
| Petition Audit Revolving Trust Fund                    | 90,975                 | 797,696                  | 820,678                             |
| Workers' Compensation Fund                             | 317,101                | 452,944                  | 460,411                             |
| Second Injury Fund                                     | 2,656,619              | 2,782,791                | 2,835,525                           |
| Lottery Enterprise Fund                                | 49,495                 | 52,084                   | 53,647                              |
| Hazardous Waste Fund                                   | 37,875                 | 282,200                  | 290,220                             |
| Safe Drinking Water Fund                               | 13,345                 | 13,787                   | 14,133                              |
| Missouri Office of Prosecution Services Fund           | 246,403                | 1,484,677                | 1,492,879                           |
| Hazardous Waste Remedial Fund                          | 234,043                | 0                        | 0                                   |
| Investors Restitution Fund                             | 19,708                 | 55,000                   | 55,000                              |
| Attorney General Trust Fund                            | 5,196,461              | 1                        | 1                                   |
| Inmate Incarceration Reimbursement Act Revolving Fund  | 54,463                 | 76,553                   | 134,906                             |
| Secretary of State's Investor Education Fund           | 303,136                | 587,688                  | 749,007                             |
| State Document Preservation Fund                       | 0                      | 361,858                  | 285,179                             |
| Missouri Office of Prosecution Services Revolving Fund | 103,786                | 150,000                  | 150,000                             |
| Abandoned Fund Account                                 | 20,525,491             | 16,811,300               | 16,825,931                          |
| Mined Land Reclamation Fund                            | 13,318                 | 13,759                   | 14,104                              |
| Missouri State Archives - St. Louis Trust Fund         | 0                      | 12,000,000               | 12,000,000                          |
| Secretary of State - Wolfner Library Fund              | 0                      | 14,500                   | 14,500                              |

\* By historical custom, a governor seldom changes other statewide elected officials' budget proposals. Therefore, the governor's inclusion of recommendations for funding should not be construed to be an endorsement of the requests.

# OFFICE OF THE CHIEF EXECUTIVE

## FINANCIAL SUMMARY

|                               | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDED<br>FY 2008 |
|-------------------------------|------------------------|--------------------------|------------------------------------|
| Governor's Office and Mansion | \$ 1,955,024           | \$ 2,030,750             | \$ 2,081,729                       |
| National Guard Emergency      | 646,193                | 1                        | 1                                  |
| Special Audits                | 10,419                 | 30,000                   | 30,000                             |
| Governmental Emergency Fund   | 0                      | 1                        | 1                                  |
| TOTAL                         |                        |                          |                                    |
| General Revenue Fund          | \$ 2,611,636           | \$ 2,060,752             | \$ 2,111,731                       |

|                                |       |       |       |
|--------------------------------|-------|-------|-------|
| Full-time equivalent employees | 34.05 | 34.00 | 34.00 |
|--------------------------------|-------|-------|-------|

### GOVERNOR'S OFFICE AND MANSION

Article IV, Section 1 of the Missouri Constitution describes the duties and responsibilities of the Governor. This program includes the statutory salary of the Governor, funds for personnel in the Governor's offices and the mansion, and the expense and equipment costs for the offices and mansion.

#### Fiscal Year 2008 Governor's Recommendations

- \$50,979 for pay plan.

### NATIONAL GUARD EMERGENCY/HOMELAND SECURITY

The Missouri National Guard, when called to active duty by the Governor under Section 41.480, RSMo, has the authority to restore law and order and assist in the disaster relief of any section of the state where circumstances exceed the resources of local civil authorities. The most common use of the guard has been for cleanup and security following natural disasters, such as a flood or tornado, and public action during a time of local disorder.

#### Fiscal Year 2008 Governor's Recommendations

Continue funding at the current level.

### SPECIAL AUDITS

Section 26.060, RSMo, authorizes the Governor to call for special audits of any entity receiving state funds when the public interest of the state will be served.

#### Fiscal Year 2008 Governor's Recommendations

Continue funding at the current level.

### GOVERNMENTAL EMERGENCY FUND COMMITTEE

Sections 33.700 through 33.730, RSMo, creates the Governmental Emergency Fund Committee and allocation procedures for appropriations of emergency funds. Funds from this appropriation may be allocated by a majority vote of the Governmental Emergency Fund Committee members for the purpose of meeting emergency and unanticipated requirements. The committee consists of the Governor, Commissioner of Administration, the chair and ranking minority member of the Senate Appropriations Committee, the chair and ranking minority member of the House Appropriations Committee, and the director of the Division of Facilities Management, Design and Construction who serves as an ex-officio consultant to the committee.

#### Fiscal Year 2008 Governor's Recommendations

Continue funding at the current level.

# LIEUTENANT GOVERNOR

Article IV, Section 10 of the Missouri Constitution describes the duties and responsibilities of the Lieutenant Governor. The statutory salary of the Lieutenant Governor and funds for the personnel and expense and equipment costs in operating the Office of the Lieutenant Governor are included in this program. The Lieutenant Governor presides over the Senate, is the Chair of the Missouri Rx Program, the Co-Chair of the Personal Independence Commission, and the Secretary of the Board of Public Buildings and serves on the Missouri Development Finance Board, the Missouri Housing Development Commission, and the Second State Capitol Commission.

Proposition C, passed by voters in November 1992, established the Office of Advocacy and Assistance for the Elderly in the Lieutenant Governor's Office. The proposition also made the Lieutenant Governor a member of the Tourism, Economic Development, and Fund Commissioners boards and an advisor for educational programs.

## Fiscal Year 2008 Governor's Recommendations

- \$8,535 for pay plan.
- (\$300,000) core reduction from the Fiscal Year 2007 appropriation level.

|                                | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDED<br>FY 2008 |
|--------------------------------|------------------------|--------------------------|------------------------------------|
| Personal Service               | \$ 363,434             | \$ 361,659               | \$ 370,194                         |
| Expense and Equipment          | 47,973                 | 63,075                   | 63,075                             |
| Program Specific Distribution  | 0                      | 300,000                  | 0                                  |
| TOTAL                          |                        |                          |                                    |
| General Revenue Fund           | \$ 411,407             | \$ 724,734               | \$ 433,269                         |
| Full-time equivalent employees | 7.04                   | 8.50                     | 8.50                               |

# SECRETARY OF STATE

## FINANCIAL SUMMARY

|  | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDED<br>FY 2008 |
|--|------------------------|--------------------------|------------------------------------|
| Administration                                     | \$ 13,047,060          | \$ 15,591,945            | \$ 17,499,346                      |
| Elections  | 29,316,294             | 34,830,375               | 18,322,211                         |
| Record Preservation Programs                       | 399,873                | 13,004,918               | 12,965,323                         |
| Missouri Library Programs                          | 8,498,368              | 9,330,444                | 11,233,156                         |
| TOTAL  | \$ 51,261,595          | \$ 72,757,682            | \$ 60,020,036                      |
| PERSONAL SERVICE                                   |                        |                          |                                    |
| General Revenue Fund                               | 6,747,201              | 7,119,841                | 7,542,438                          |
| Federal Funds                                      | 394,858                | 551,712                  | 610,744                            |
| National Endowment for the Humanities Fund         | 0                      | 228,060                  | 234,902                            |
| Election Administration Improvement Fund           | 0                      | 0                        | 157,664                            |
| Secretary of State's Technology Trust Fund Account | 80,362                 | 84,141                   | 238,844                            |
| Local Records Preservation Fund                    | 866,315                | 953,431                  | 1,012,152                          |
| Secretary of State's Investor Education Fund       | 200,506                | 377,324                  | 388,643                            |
| State Document Preservation Fund                   | 0                      | 172,598                  | 95,919                             |
| EXPENSE AND EQUIPMENT                              |                        |                          |                                    |
| General Revenue Fund                               | 5,847,605              | 7,013,007                | 6,509,937                          |
| Federal Funds                                      | 791,587                | 830,487                  | 830,487                            |
| National Endowment for the Humanities Fund         | 66,172                 | 0                        | 30,242                             |
| Election Administration Improvement Fund           | 4,807,466              | 3,749,990                | 5,499,990                          |
| Secretary of State's Technology Trust Fund Account | 1,348,520              | 2,922,496                | 2,922,295                          |
| Local Records Preservation Fund                    | 328,384                | 513,649                  | 717,949                            |
| Secretary of State's Investor Education Fund       | 102,630                | 210,364                  | 360,364                            |
| State Document Preservation Fund                   | 0                      | 25,000                   | 25,000                             |
| Secretary of State - Wolfner State Library Fund    | 0                      | 14,500                   | 14,500                             |
| PROGRAM SPECIFIC DISTRIBUTION                      |                        |                          |                                    |
| General Revenue Fund                               | 7,323,150              | 7,884,745                | 9,637,457                          |
| Federal Funds                                      | 1,851,702              | 2,362,087                | 2,362,087                          |
| Local Records Preservation Fund                    | 314,878                | 400,000                  | 400,000                            |
| Election Administration Improvement Fund           | 19,843,000             | 24,728,805               | 7,812,977                          |
| Election Administration Revolving Loan Fund        | 327,551                | 396,185                  | 396,185                            |
| Investors Restitution Fund                         | 19,708                 | 55,000                   | 55,000                             |
| Missouri State Archives - St. Louis Trust Fund     | 0                      | 12,000,000               | 12,000,000                         |
| State Document Preservation Fund                   | 0                      | 164,260                  | 164,260                            |
| TOTAL  | \$ 51,261,595          | \$ 72,757,682            | \$ 60,020,036                      |
| General Revenue Fund                               | 19,917,956             | 22,017,593               | 23,689,832                         |
| Federal Funds                                      | 3,038,147              | 3,744,286                | 3,803,318                          |
| National Endowment for the Humanities Fund         | 66,172                 | 228,060                  | 265,144                            |
| Election Administration Improvement Fund           | 24,650,466             | 28,478,795               | 13,470,631                         |
| Election Administration Revolving Loan Fund        | 327,551                | 396,185                  | 396,185                            |
| Secretary of State's Technology Trust Fund Account | 1,428,882              | 3,006,637                | 3,161,139                          |
| Local Records Preservation Fund                    | 1,509,577              | 1,867,080                | 2,130,101                          |
| Investors Restitution Fund                         | 19,708                 | 55,000                   | 55,000                             |
| Secretary of State's Investor Education Fund       | 303,136                | 587,688                  | 749,007                            |
| Missouri State Archives - St. Louis Trust Fund     | 0                      | 12,000,000               | 12,000,000                         |
| State Document Preservation Fund                   | 0                      | 361,858                  | 285,179                            |
| Secretary of State - Wolfner State Library Fund    | 0                      | 14,500                   | 14,500                             |
| Full-time equivalent employees                     | 253.96                 | 270.30                   | 276.30                             |

## **ELECTED OFFICIALS SECRETARY OF STATE**

### **ADMINISTRATION**

The Office of the Secretary of State is organized as follows:

Administrative Services – provides central budgeting, payroll, human resources, accounting, supplies, and mailroom services for all areas of the office. Responsibilities also include publication of the official manual of the state of Missouri, the Constitution, corporation laws, securities laws, the uniform commercial code manual, notary public laws, trademark laws, primary election returns, and the state and general assembly roster.

Elections Services – prepares ballots, certifies candidates, canvasses election returns, certifies initiative petitions, and maintains the statewide voter registration database.

Record Services – provides for the maintenance, retention, preservation, and disposal of official records of the state and local governments of Missouri.

Administrative Rules and Legal Services – serves as the central filing office for all rules and regulations promulgated by departments of the state of Missouri.

Securities Services – works to protect Missouri investors from fraud and maintains an orderly securities market in the state. The Securities Commissioner administers the Missouri Uniform Securities Act.

Business Services – administers the laws and filings of corporations and non-profit organizations. The division is the central filing office and custodian of all filings on business and professional loans. Additionally, the division commissions public notaries.

Missouri State Library – supports or works in concert with public, academic, and institutional libraries of the state with grant support, consultant services, development of criteria for establishment of libraries, collection development, and resource sharing. The library serves as a research and reference library for state government and the legislature and as the central outlet for census data information.

Wolfner Library for the Blind and Physically Handicapped – provides a variety of Braille, large print books, talking books recorded on cassette and discs, as well as cassette and disc playback equipment for eligible blind, visually impaired, physically disabled, and learning disabled citizens. The federal government, through the National Library Service, provides production of the materials, equipment, and postal charges for their distribution. The state of Missouri pays for staffing and the cost of housing the collections of material and equipment for staff to operate the service.

### **Fiscal Year 2008 Governor's Recommendations**

- \$548,494 and six staff for the Missouri Digital Heritage Initiative, including \$204,400 general revenue.
- \$490,000 to publish the official manual as required by state statute.
- \$364,430 for equipment replacement.
- \$150,000 other funds for security enforcement and protection support.
- \$275,004 for pay plan, including \$210,697 general revenue.
- \$79,473 other funds reallocated from Record Preservation Programs.

### **ELECTIONS**

Initiative, Referendum, and Constitutional Amendments Expenses – funds are provided to allow for the publication of the texts of initiative petitions and referendums in newspapers prior to their consideration by the electorate of the state of Missouri. Payments are made in accordance with Chapter 125, RSMo, for constitutional amendments and Chapter 126, RSMo, for initiative petitions and referendums.

Absentee Ballots – funds are provided to allow for fees and costs for establishing and maintaining the business reply and postage-free mail for absentee envelopes returned by voters, in accordance with Section 115.285, RSMo.

## **ELECTED OFFICIALS SECRETARY OF STATE**

### **ELECTIONS (Continued)**

Election Printing and Federal Election Reform – provisional ballot envelopes must be provided for local election authorities to use in elections of federal candidates, statewide candidates, or statewide issues. In addition, the Elections Division must print and distribute voter registration applications in accordance with federal laws.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$4,592 federal funds for pay plan.
- (\$15,012,756) federal funds core reduction from the Fiscal Year 2007 appropriation level for Federal election reform.
- (\$1,500,000) core reduction from the Fiscal Year 2007 appropriation level for publishing of initiative petitions for each statewide ballot measure.

### **RECORD PRESERVATION PROGRAMS**

Local Records Grants – these funds are user fees designated for local records preservation. Missouri local governments submit proposals that address their specific needs in archive/records management. The Historical Records Advisory Board in concert with the Local Records Program Fiscal Grants Officer will establish priorities, implement, and audit the return of money to local governments.

Document Preservation – these funds are private donations designated for preservation of documents of legal, historical, and genealogical importance to the state of Missouri.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$30,242 federal funds for grants to support the creation of a traveling civil war exhibit.
- \$9,636 federal and other funds for pay plan.
- (\$79,473) other funds reallocated to Administration.

### **MISSOURI LIBRARY PROGRAMS**

State Aid for Public Libraries – the Missouri Constitution authorizes the state to support and aid public libraries. Consistent with this authority and the procedure set out in Section 181.060, RSMo, the Missouri State Library distributes funds to eligible public libraries on the basis of population served by the library district. A public library becomes eligible for participation if it has voted a local tax of at least ten cents per one hundred dollars assessed valuation. Local libraries use state funds to supplement local support.

Remote Electronic Access for Libraries – the Remote Electronic Access for Libraries (REAL) project is designed to connect all public libraries in Missouri to each other and the Internet through dedicated data connections. Library patrons will have quick access to resources beyond those available solely within their community.

Literacy Investment for Tomorrow – the Missouri State Library serves as fiscal agent for the state literacy resource center, Literacy Investment for Tomorrow (LIFT) in St. Louis. The center promotes and develops resources for organizations that provide literacy services.

Federal Aid for Public Libraries – the Missouri State Library administers federal grants under the federal Library Services and Construction Act. The library distributes funds to local public libraries for personnel, books, other library materials, and for general operating expenses to develop and improve library services. In addition, funds are available to local groups of libraries for improving local library cooperation. All costs for cooperative projects, except book purchases and building construction, are eligible for funding.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$1,002,712 to increase state aid to public libraries.
- \$750,000 transferred to the Library Networking Fund pursuant to Section 143.183, RSMo.
- \$150,000 for increased funding to the Remote Electronic Access for Libraries (REAL) program.

# STATE AUDITOR

The State Auditor's Office works to ensure the proper use of public funds and to improve the efficiency and effectiveness of Missouri government by performing audits of state agencies, boards and commissions, the circuit court system, third-class counties, and other political subdivisions upon petition by the voters. These audits examine financial accountability, waste, opportunities for fraud, and whether government organizations and programs are achieving their purposes and operating economically and efficiently. All audits are performed in accordance with generally accepted government auditing standards issued by the Comptroller General of the United States. The audit reports are delivered to the Governor, the General Assembly, the auditee, and interested citizens. The State Auditor also provides an annual audit of the state's comprehensive annual financial report and federal grant programs administered by the state, reviews and registers general obligation bond issues of the state's political subdivisions, prepares fiscal notes for ballot initiatives, performs an Annual Forfeiture Report, and reviews property tax rates proposed by political subdivisions for compliance with state law.

## Fiscal Year 2008 Governor's Recommendations

- \$214,882 for pay plan, including \$175,852 general revenue.

|                                     | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDED<br>FY 2008 |
|-------------------------------------|------------------------|--------------------------|------------------------------------|
| PERSONAL SERVICE                    |                        |                          |                                    |
| General Revenue Fund                | \$ 5,517,149           | \$ 5,958,145             | \$ 6,133,997                       |
| Federal Funds                       | 154,424                | 454,587                  | 468,224                            |
| Conservation Commission Fund        | 38,924                 | 40,569                   | 41,786                             |
| Parks Sales Tax Fund                | 19,483                 | 20,262                   | 20,870                             |
| Soil and Water Sales Tax Fund       | 18,787                 | 19,538                   | 20,124                             |
| Petition Audit Revolving Trust Fund | 79,692                 | 766,080                  | 789,062                            |
| EXPENSE AND EQUIPMENT               |                        |                          |                                    |
| General Revenue Fund                | 591,586                | 884,947                  | 884,947                            |
| Federal Funds                       | 9,768                  | 30,123                   | 30,123                             |
| Conservation Commission Fund        | 2,598                  | 2,611                    | 2,611                              |
| Petition Audit Revolving Trust Fund | 11,283                 | 31,616                   | 31,616                             |
| TOTAL                               | \$ 6,443,694           | \$ 8,208,478             | \$ 8,423,360                       |
| General Revenue Fund                | 6,108,735              | 6,843,092                | 7,018,944                          |
| Federal Funds                       | 164,192                | 484,710                  | 498,347                            |
| Conservation Commission Fund        | 41,522                 | 43,180                   | 44,397                             |
| Parks Sales Tax Fund                | 19,483                 | 20,262                   | 20,870                             |
| Soil and Water Sales Tax Fund       | 18,787                 | 19,538                   | 20,124                             |
| Petition Audit Revolving Trust Fund | 90,975                 | 797,696                  | 820,678                            |
| Full-time equivalent employees      | 129.65                 | 168.77                   | 168.77                             |

# STATE TREASURER

## FINANCIAL SUMMARY

|  | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDED<br>FY 2008 |
|--|------------------------|--------------------------|------------------------------------|
| Administration                               | \$ 2,913,439           | \$ 2,838,373             | \$ 2,895,716                       |
| Issuing Duplicate and Outlawed Checks        | 936,628                | 1,000,000                | 1,000,000                          |
| Abandoned Fund Account                       | 24,679,167             | 16,000,001               | 16,000,001                         |
| <b>TOTAL</b>                                 | <b>\$ 28,529,234</b>   | <b>\$ 19,838,374</b>     | <b>\$ 19,895,717</b>               |
| <b>PERSONAL SERVICE</b>                      |                        |                          |                                    |
| State Treasurer's General Operations Fund    | 1,335,291              | 1,459,089                | 1,499,969                          |
| Treasurer's Information Fund                 | 89,663                 | 0                        | 0                                  |
| Central Check Mailing Service Revolving Fund | 20,826                 | 21,659                   | 22,309                             |
| Second Injury Fund                           | 37,875                 | 39,390                   | 40,572                             |
| Abandoned Fund Account                       | 459,433                | 487,700                  | 502,331                            |
| <b>EXPENSE AND EQUIPMENT</b>                 |                        |                          |                                    |
| State Treasurer's General Operations Fund    | 236,365                | 270,655                  | 270,655                            |
| Treasurer's Information Fund                 | 2,116                  | 8,000                    | 8,000                              |
| Central Check Mailing Service Revolving Fund | 125,126                | 225,000                  | 225,000                            |
| Second Injury Fund                           | 3,280                  | 3,280                    | 3,280                              |
| Abandoned Fund Account                       | 603,464                | 323,600                  | 323,600                            |
| <b>PROGRAM SPECIFIC DISTRIBUTION</b>         |                        |                          |                                    |
| General Revenue Fund                         | 6,153,201              | 1,000,001                | 1,000,001                          |
| Abandoned Fund Account                       | 19,462,594             | 16,000,000               | 16,000,000                         |
| <b>TOTAL</b>                                 | <b>\$ 28,529,234</b>   | <b>\$ 19,838,374</b>     | <b>\$ 19,895,717</b>               |
| General Revenue Fund                         | 6,153,201              | 1,000,001                | 1,000,001                          |
| State Treasurer's General Operations Fund    | 1,571,656              | 1,729,744                | 1,770,624                          |
| Treasurer's Information Fund                 | 91,779                 | 8,000                    | 8,000                              |
| Central Check Mailing Service Revolving Fund | 145,952                | 246,659                  | 247,309                            |
| Second Injury Fund                           | 41,155                 | 42,670                   | 43,852                             |
| Abandoned Fund Account                       | 20,525,491             | 16,811,300               | 16,825,931                         |
| <b>Full-time equivalent employees</b>        | <b>49.61</b>           | <b>49.40</b>             | <b>49.40</b>                       |

## ADMINISTRATION

The State Treasurer is responsible for receiving and investing state moneys, posting receipts to the proper funds, and signing warrants drawn according to law. As custodian of those funds, the Treasurer determines the amount of state moneys not needed for current operating expenses and invests those funds in interest-bearing time deposits in Missouri banking institutions or in short-term United States government obligations. The Treasurer is required to give due consideration to the preservation of state funds and the comparative yields available. The Treasurer also must determine whether the general welfare of the state is better served by investing state funds in United States securities or within the Missouri banking system.

The Treasurer also administers the state's unclaimed property law by collecting unclaimed or abandoned funds and property belonging to Missouri citizens and trying to locate the owners.

### Fiscal Year 2008 Governor's Recommendations

- \$57,343 other funds for pay plan.



**ELECTED OFFICIALS  
STATE TREASURER**

**ISSUING DUPLICATE AND OUTLAWED CHECKS**

These functions allow payment of claims against the state in cases where checks are not presented for payment within 12 months of issuance as required by law and in cases where checks are presented for payment more than five years after the date of issuance.

**Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

**ABANDONED FUND ACCOUNT**

In accordance with Section 447.543, RSMo, the Abandoned Fund Account has the two-fold purpose of receiving funds that have remained unclaimed for a period of seven years and making the payment of valid claims. Any time the fund exceeds \$50,000, the Treasurer may, and at least once every year shall, transfer the excess to general revenue. If verified claims for payment should reduce the balance in the account to less than \$25,000, the Treasurer shall transfer from general revenue an amount sufficient to restore the fund to \$50,000.

**Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

# ATTORNEY GENERAL

The Attorney General takes legal action to protect the rights and interests of the state, defends or prosecutes appeals to which the state is a party, provides opinions regarding state law, and assists prosecuting attorneys in the prosecution of cases. The Office of the Attorney General has several responsibilities for which specific funds have been established by law.

Section 27.080, RSMo, establishes the Attorney General's Court Costs Fund to receive deposits and make payments of court costs in litigation requiring the appearance of the Attorney General. This fund is supplemented by a transfer from general revenue.

Section 416.081, RSMo, creates the Antitrust Revolving Fund which is made up of deposits of ten percent of any court settlement of antitrust litigation involving the Attorney General. This fund is supplemented by a transfer from general revenue.

Chapter 287, RSMo, provides for the Attorney General to charge the Second Injury Fund for the cost of defending the fund.

Section 56.750, RSMo, establishes the Missouri Office of Prosecution Services within the Attorney General's Office. The Prosecution Services Office is funded through fees assessed as court costs in criminal cases. The office was established to develop uniform training and procedures for Missouri's prosecuting attorneys.

Sections 407.1070 to 407.1085, RSMo, establishes a no-call database to be maintained by the Attorney General for citizens who object to receiving telephone solicitations at home.

## **Fiscal Year 2008 Governor's Recommendations**

- \$98,400 and two staff to provide representation for the Missouri Commission on Human Rights.
- \$71,700 and one staff to implement provisions of HB 1698 (2006) related to sexual offenses.
- \$63,700 and one staff Petroleum Tank Storage Insurance Fund to increase compliance with the Petroleum Storage Tank Insurance Fund.
- \$56,845 and one staff Missouri Incarceration Reimbursement Fund to increase recoveries under the Missouri Incarceration Reimbursement Act (1988).
- \$45,200 and one staff for the representation of crime victims.
- \$43,200 and one staff to enforce provisions of Amendment 2 (2006) Stem Cell Initiative.
- \$526,938 for pay plan, including \$344,701 general revenue.

# ELECTED OFFICIALS

## ATTORNEY GENERAL (Continued)

|  | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDED<br>FY 2008 |
|--|------------------------|--------------------------|------------------------------------|
| Administration   | \$ 25,439,078          | \$ 24,051,053            | \$ 24,944,876                      |
| Missouri Office of Prosecution Services                | 629,647                | 2,697,498                | 2,709,658                          |
| TOTAL  | \$ 26,068,725          | \$ 26,748,551            | \$ 27,654,534                      |
| PERSONAL SERVICE                                       |                        |                          |                                    |
| General Revenue Fund                                   | 10,563,854             | 11,594,371               | 12,139,072                         |
| Federal Funds  | 1,772,300              | 2,515,976                | 2,591,454                          |
| Gaming Commission Fund                                 | 123,052                | 103,009                  | 106,099                            |
| Merchandising Practices Revolving Fund                 | 645,768                | 647,599                  | 667,026                            |
| Workers' Compensation Fund                             | 290,511                | 248,891                  | 256,358                            |
| Second Injury Fund                                     | 1,691,713              | 1,718,395                | 1,769,947                          |
| Missouri Office of Prosecution Services Fund           | 202,044                | 273,367                  | 281,569                            |
| Hazardous Waste Remedial Fund                          | 223,878                | 0                        | 0                                  |
| Other Funds  | 326,046                | 567,329                  | 676,850                            |
| EXPENSE AND EQUIPMENT                                  |                        |                          |                                    |
| General Revenue Fund                                   | 1,946,306              | 1,749,056                | 1,807,356                          |
| Federal Funds  | 562,722                | 2,233,081                | 2,081,182                          |
| Gaming Commission Fund                                 | 5,431                  | 30,747                   | 30,747                             |
| Attorney General's Court Costs Fund                    | 187,000                | 187,000                  | 187,000                            |
| Merchandising Practices Revolving Fund                 | 908,289                | 1,879,126                | 1,879,126                          |
| Workers' Compensation Fund                             | 26,590                 | 204,053                  | 204,053                            |
| Second Injury Fund                                     | 922,751                | 1,021,726                | 1,020,726                          |
| Missouri Office of Prosecution Services Fund           | 42,389                 | 1,211,310                | 1,171,310                          |
| Hazardous Waste Remedial Fund                          | 10,165                 | 0                        | 0                                  |
| Missouri Office of Prosecution Services Revolving Fund | 103,786                | 150,000                  | 150,000                            |
| Other Funds  | 5,233,200              | 78,915                   | 106,960                            |
| PROGRAM SPECIFIC DISTRIBUTION                          |                        |                          |                                    |
| General Revenue Fund                                   | 237,813                | 234,600                  | 234,800                            |
| Federal Funds  | 40,147                 | 100,000                  | 251,899                            |
| Second Injury Fund                                     | 1,000                  | 0                        | 1,000                              |
| Missouri Office of Prosecution Services Fund           | 1,970                  | 0                        | 40,000                             |
| TOTAL  | \$ 26,068,725          | \$ 26,748,551            | \$ 27,654,534                      |
| General Revenue Fund                                   | 12,747,973             | 13,578,027               | 14,181,228                         |
| Federal Funds  | 2,375,169              | 4,849,057                | 4,924,535                          |
| Gaming Commission Fund                                 | 128,483                | 133,756                  | 136,846                            |
| Attorney General's Court Costs Fund                    | 187,000                | 187,000                  | 187,000                            |
| Merchandising Practices Revolving Fund                 | 1,554,057              | 2,526,725                | 2,546,152                          |
| Workers' Compensation Fund                             | 317,101                | 452,944                  | 460,411                            |
| Second Injury Fund                                     | 2,615,464              | 2,740,121                | 2,791,673                          |
| Missouri Office of Prosecution Services Fund           | 246,403                | 1,484,677                | 1,492,879                          |
| Hazardous Waste Remedial Fund                          | 234,043                | 0                        | 0                                  |
| Missouri Office of Prosecution Services Revolving Fund | 103,786                | 150,000                  | 150,000                            |
| Other Funds  | 5,559,246              | 646,244                  | 783,810                            |
| Full-time equivalent employees                         | 403.34                 | 436.05                   | 443.05                             |

# OFFICE OF THE CHIEF EXECUTIVE

## FINANCIAL SUMMARY

|                               | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDED<br>FY 2008 |
|-------------------------------|------------------------|--------------------------|------------------------------------|
| Governor's Office and Mansion | \$ 1,955,024           | \$ 2,030,750             | \$ 2,081,729                       |
| National Guard Emergency      | 646,193                | 1                        | 1                                  |
| Special Audits                | 10,419                 | 30,000                   | 30,000                             |
| Governmental Emergency Fund   | 0                      | 1                        | 1                                  |
| TOTAL                         |                        |                          |                                    |
| General Revenue Fund          | \$ 2,611,636           | \$ 2,060,752             | \$ 2,111,731                       |

|                                |       |       |       |
|--------------------------------|-------|-------|-------|
| Full-time equivalent employees | 34.05 | 34.00 | 34.00 |
|--------------------------------|-------|-------|-------|

### GOVERNOR'S OFFICE AND MANSION

Article IV, Section 1 of the Missouri Constitution describes the duties and responsibilities of the Governor. This program includes the statutory salary of the Governor, funds for personnel in the Governor's offices and the mansion, and the expense and equipment costs for the offices and mansion.

#### Fiscal Year 2008 Governor's Recommendations

- \$50,979 for pay plan.

### NATIONAL GUARD EMERGENCY/HOMELAND SECURITY

The Missouri National Guard, when called to active duty by the Governor under Section 41.480, RSMo, has the authority to restore law and order and assist in the disaster relief of any section of the state where circumstances exceed the resources of local civil authorities. The most common use of the guard has been for cleanup and security following natural disasters, such as a flood or tornado, and public action during a time of local disorder.

#### Fiscal Year 2008 Governor's Recommendations

Continue funding at the current level.

### SPECIAL AUDITS

Section 26.060, RSMo, authorizes the Governor to call for special audits of any entity receiving state funds when the public interest of the state will be served.

#### Fiscal Year 2008 Governor's Recommendations

Continue funding at the current level.

### GOVERNMENTAL EMERGENCY FUND COMMITTEE

Sections 33.700 through 33.730, RSMo, creates the Governmental Emergency Fund Committee and allocation procedures for appropriations of emergency funds. Funds from this appropriation may be allocated by a majority vote of the Governmental Emergency Fund Committee members for the purpose of meeting emergency and unanticipated requirements. The committee consists of the Governor, Commissioner of Administration, the chair and ranking minority member of the Senate Appropriations Committee, the chair and ranking minority member of the House Appropriations Committee, and the director of the Division of Facilities Management, Design and Construction who serves as an ex-officio consultant to the committee.

#### Fiscal Year 2008 Governor's Recommendations

Continue funding at the current level.

# LIEUTENANT GOVERNOR

Article IV, Section 10 of the Missouri Constitution describes the duties and responsibilities of the Lieutenant Governor. The statutory salary of the Lieutenant Governor and funds for the personnel and expense and equipment costs in operating the Office of the Lieutenant Governor are included in this program. The Lieutenant Governor presides over the Senate, is the Chair of the Missouri Rx Program, the Co-Chair of the Personal Independence Commission, and the Secretary of the Board of Public Buildings and serves on the Missouri Development Finance Board, the Missouri Housing Development Commission, and the Second State Capitol Commission.

Proposition C, passed by voters in November 1992, established the Office of Advocacy and Assistance for the Elderly in the Lieutenant Governor's Office. The proposition also made the Lieutenant Governor a member of the Tourism, Economic Development, and Fund Commissioners boards and an advisor for educational programs.

## Fiscal Year 2008 Governor's Recommendations

- \$8,535 for pay plan.
- (\$300,000) core reduction from the Fiscal Year 2007 appropriation level.

|                                | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDED<br>FY 2008 |
|--------------------------------|------------------------|--------------------------|------------------------------------|
| Personal Service               | \$ 363,434             | \$ 361,659               | \$ 370,194                         |
| Expense and Equipment          | 47,973                 | 63,075                   | 63,075                             |
| Program Specific Distribution  | 0                      | 300,000                  | 0                                  |
| TOTAL                          |                        |                          |                                    |
| General Revenue Fund           | \$ 411,407             | \$ 724,734               | \$ 433,269                         |
| Full-time equivalent employees | 7.04                   | 8.50                     | 8.50                               |

# SECRETARY OF STATE

## FINANCIAL SUMMARY

|  | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDED<br>FY 2008 |
|--|------------------------|--------------------------|------------------------------------|
| Administration                                     | \$ 13,047,060          | \$ 15,591,945            | \$ 17,499,346                      |
| Elections  | 29,316,294             | 34,830,375               | 18,322,211                         |
| Record Preservation Programs                       | 399,873                | 13,004,918               | 12,965,323                         |
| Missouri Library Programs                          | 8,498,368              | 9,330,444                | 11,233,156                         |
| TOTAL  | \$ 51,261,595          | \$ 72,757,682            | \$ 60,020,036                      |
| PERSONAL SERVICE                                   |                        |                          |                                    |
| General Revenue Fund                               | 6,747,201              | 7,119,841                | 7,542,438                          |
| Federal Funds                                      | 394,858                | 551,712                  | 610,744                            |
| National Endowment for the Humanities Fund         | 0                      | 228,060                  | 234,902                            |
| Election Administration Improvement Fund           | 0                      | 0                        | 157,664                            |
| Secretary of State's Technology Trust Fund Account | 80,362                 | 84,141                   | 238,844                            |
| Local Records Preservation Fund                    | 866,315                | 953,431                  | 1,012,152                          |
| Secretary of State's Investor Education Fund       | 200,506                | 377,324                  | 388,643                            |
| State Document Preservation Fund                   | 0                      | 172,598                  | 95,919                             |
| EXPENSE AND EQUIPMENT                              |                        |                          |                                    |
| General Revenue Fund                               | 5,847,605              | 7,013,007                | 6,509,937                          |
| Federal Funds                                      | 791,587                | 830,487                  | 830,487                            |
| National Endowment for the Humanities Fund         | 66,172                 | 0                        | 30,242                             |
| Election Administration Improvement Fund           | 4,807,466              | 3,749,990                | 5,499,990                          |
| Secretary of State's Technology Trust Fund Account | 1,348,520              | 2,922,496                | 2,922,295                          |
| Local Records Preservation Fund                    | 328,384                | 513,649                  | 717,949                            |
| Secretary of State's Investor Education Fund       | 102,630                | 210,364                  | 360,364                            |
| State Document Preservation Fund                   | 0                      | 25,000                   | 25,000                             |
| Secretary of State - Wolfner State Library Fund    | 0                      | 14,500                   | 14,500                             |
| PROGRAM SPECIFIC DISTRIBUTION                      |                        |                          |                                    |
| General Revenue Fund                               | 7,323,150              | 7,884,745                | 9,637,457                          |
| Federal Funds                                      | 1,851,702              | 2,362,087                | 2,362,087                          |
| Local Records Preservation Fund                    | 314,878                | 400,000                  | 400,000                            |
| Election Administration Improvement Fund           | 19,843,000             | 24,728,805               | 7,812,977                          |
| Election Administration Revolving Loan Fund        | 327,551                | 396,185                  | 396,185                            |
| Investors Restitution Fund                         | 19,708                 | 55,000                   | 55,000                             |
| Missouri State Archives - St. Louis Trust Fund     | 0                      | 12,000,000               | 12,000,000                         |
| State Document Preservation Fund                   | 0                      | 164,260                  | 164,260                            |
| TOTAL  | \$ 51,261,595          | \$ 72,757,682            | \$ 60,020,036                      |
| General Revenue Fund                               | 19,917,956             | 22,017,593               | 23,689,832                         |
| Federal Funds                                      | 3,038,147              | 3,744,286                | 3,803,318                          |
| National Endowment for the Humanities Fund         | 66,172                 | 228,060                  | 265,144                            |
| Election Administration Improvement Fund           | 24,650,466             | 28,478,795               | 13,470,631                         |
| Election Administration Revolving Loan Fund        | 327,551                | 396,185                  | 396,185                            |
| Secretary of State's Technology Trust Fund Account | 1,428,882              | 3,006,637                | 3,161,139                          |
| Local Records Preservation Fund                    | 1,509,577              | 1,867,080                | 2,130,101                          |
| Investors Restitution Fund                         | 19,708                 | 55,000                   | 55,000                             |
| Secretary of State's Investor Education Fund       | 303,136                | 587,688                  | 749,007                            |
| Missouri State Archives - St. Louis Trust Fund     | 0                      | 12,000,000               | 12,000,000                         |
| State Document Preservation Fund                   | 0                      | 361,858                  | 285,179                            |
| Secretary of State - Wolfner State Library Fund    | 0                      | 14,500                   | 14,500                             |
| Full-time equivalent employees                     | 253.96                 | 270.30                   | 276.30                             |

## **ELECTED OFFICIALS SECRETARY OF STATE**

### **ADMINISTRATION**

The Office of the Secretary of State is organized as follows:

Administrative Services – provides central budgeting, payroll, human resources, accounting, supplies, and mailroom services for all areas of the office. Responsibilities also include publication of the official manual of the state of Missouri, the Constitution, corporation laws, securities laws, the uniform commercial code manual, notary public laws, trademark laws, primary election returns, and the state and general assembly roster.

Elections Services – prepares ballots, certifies candidates, canvasses election returns, certifies initiative petitions, and maintains the statewide voter registration database.

Record Services – provides for the maintenance, retention, preservation, and disposal of official records of the state and local governments of Missouri.

Administrative Rules and Legal Services – serves as the central filing office for all rules and regulations promulgated by departments of the state of Missouri.

Securities Services – works to protect Missouri investors from fraud and maintains an orderly securities market in the state. The Securities Commissioner administers the Missouri Uniform Securities Act.

Business Services – administers the laws and filings of corporations and non-profit organizations. The division is the central filing office and custodian of all filings on business and professional loans. Additionally, the division commissions public notaries.

Missouri State Library – supports or works in concert with public, academic, and institutional libraries of the state with grant support, consultant services, development of criteria for establishment of libraries, collection development, and resource sharing. The library serves as a research and reference library for state government and the legislature and as the central outlet for census data information.

Wolfner Library for the Blind and Physically Handicapped – provides a variety of Braille, large print books, talking books recorded on cassette and discs, as well as cassette and disc playback equipment for eligible blind, visually impaired, physically disabled, and learning disabled citizens. The federal government, through the National Library Service, provides production of the materials, equipment, and postal charges for their distribution. The state of Missouri pays for staffing and the cost of housing the collections of material and equipment for staff to operate the service.

### **Fiscal Year 2008 Governor's Recommendations**

- \$548,494 and six staff for the Missouri Digital Heritage Initiative, including \$204,400 general revenue.
- \$490,000 to publish the official manual as required by state statute.
- \$364,430 for equipment replacement.
- \$150,000 other funds for security enforcement and protection support.
- \$275,004 for pay plan, including \$210,697 general revenue.
- \$79,473 other funds reallocated from Record Preservation Programs.

### **ELECTIONS**

Initiative, Referendum, and Constitutional Amendments Expenses – funds are provided to allow for the publication of the texts of initiative petitions and referendums in newspapers prior to their consideration by the electorate of the state of Missouri. Payments are made in accordance with Chapter 125, RSMo, for constitutional amendments and Chapter 126, RSMo, for initiative petitions and referendums.

Absentee Ballots – funds are provided to allow for fees and costs for establishing and maintaining the business reply and postage-free mail for absentee envelopes returned by voters, in accordance with Section 115.285, RSMo.

## **ELECTED OFFICIALS SECRETARY OF STATE**

### **ELECTIONS (Continued)**

Election Printing and Federal Election Reform – provisional ballot envelopes must be provided for local election authorities to use in elections of federal candidates, statewide candidates, or statewide issues. In addition, the Elections Division must print and distribute voter registration applications in accordance with federal laws.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$4,592 federal funds for pay plan.
- (\$15,012,756) federal funds core reduction from the Fiscal Year 2007 appropriation level for Federal election reform.
- (\$1,500,000) core reduction from the Fiscal Year 2007 appropriation level for publishing of initiative petitions for each statewide ballot measure.

### **RECORD PRESERVATION PROGRAMS**

Local Records Grants – these funds are user fees designated for local records preservation. Missouri local governments submit proposals that address their specific needs in archive/records management. The Historical Records Advisory Board in concert with the Local Records Program Fiscal Grants Officer will establish priorities, implement, and audit the return of money to local governments.

Document Preservation – these funds are private donations designated for preservation of documents of legal, historical, and genealogical importance to the state of Missouri.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$30,242 federal funds for grants to support the creation of a traveling civil war exhibit.
- \$9,636 federal and other funds for pay plan.
- (\$79,473) other funds reallocated to Administration.

### **MISSOURI LIBRARY PROGRAMS**

State Aid for Public Libraries – the Missouri Constitution authorizes the state to support and aid public libraries. Consistent with this authority and the procedure set out in Section 181.060, RSMo, the Missouri State Library distributes funds to eligible public libraries on the basis of population served by the library district. A public library becomes eligible for participation if it has voted a local tax of at least ten cents per one hundred dollars assessed valuation. Local libraries use state funds to supplement local support.

Remote Electronic Access for Libraries – the Remote Electronic Access for Libraries (REAL) project is designed to connect all public libraries in Missouri to each other and the Internet through dedicated data connections. Library patrons will have quick access to resources beyond those available solely within their community.

Literacy Investment for Tomorrow – the Missouri State Library serves as fiscal agent for the state literacy resource center, Literacy Investment for Tomorrow (LIFT) in St. Louis. The center promotes and develops resources for organizations that provide literacy services.

Federal Aid for Public Libraries – the Missouri State Library administers federal grants under the federal Library Services and Construction Act. The library distributes funds to local public libraries for personnel, books, other library materials, and for general operating expenses to develop and improve library services. In addition, funds are available to local groups of libraries for improving local library cooperation. All costs for cooperative projects, except book purchases and building construction, are eligible for funding.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$1,002,712 to increase state aid to public libraries.
- \$750,000 transferred to the Library Networking Fund pursuant to Section 143.183, RSMo.
- \$150,000 for increased funding to the Remote Electronic Access for Libraries (REAL) program.



# STATE AUDITOR

The State Auditor's Office works to ensure the proper use of public funds and to improve the efficiency and effectiveness of Missouri government by performing audits of state agencies, boards and commissions, the circuit court system, third-class counties, and other political subdivisions upon petition by the voters. These audits examine financial accountability, waste, opportunities for fraud, and whether government organizations and programs are achieving their purposes and operating economically and efficiently. All audits are performed in accordance with generally accepted government auditing standards issued by the Comptroller General of the United States. The audit reports are delivered to the Governor, the General Assembly, the auditee, and interested citizens. The State Auditor also provides an annual audit of the state's comprehensive annual financial report and federal grant programs administered by the state, reviews and registers general obligation bond issues of the state's political subdivisions, prepares fiscal notes for ballot initiatives, performs an Annual Forfeiture Report, and reviews property tax rates proposed by political subdivisions for compliance with state law.

## Fiscal Year 2008 Governor's Recommendations

- \$214,882 for pay plan, including \$175,852 general revenue.

|                                       | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDED<br>FY 2008 |
|---------------------------------------|------------------------|--------------------------|------------------------------------|
| <b>PERSONAL SERVICE</b>               |                        |                          |                                    |
| General Revenue Fund                  | \$ 5,517,149           | \$ 5,958,145             | \$ 6,133,997                       |
| Federal Funds                         | 154,424                | 454,587                  | 468,224                            |
| Conservation Commission Fund          | 38,924                 | 40,569                   | 41,786                             |
| Parks Sales Tax Fund                  | 19,483                 | 20,262                   | 20,870                             |
| Soil and Water Sales Tax Fund         | 18,787                 | 19,538                   | 20,124                             |
| Petition Audit Revolving Trust Fund   | 79,692                 | 766,080                  | 789,062                            |
| <b>EXPENSE AND EQUIPMENT</b>          |                        |                          |                                    |
| General Revenue Fund                  | 591,586                | 884,947                  | 884,947                            |
| Federal Funds                         | 9,768                  | 30,123                   | 30,123                             |
| Conservation Commission Fund          | 2,598                  | 2,611                    | 2,611                              |
| Petition Audit Revolving Trust Fund   | 11,283                 | 31,616                   | 31,616                             |
| <b>TOTAL</b>                          | <b>\$ 6,443,694</b>    | <b>\$ 8,208,478</b>      | <b>\$ 8,423,360</b>                |
| General Revenue Fund                  | 6,108,735              | 6,843,092                | 7,018,944                          |
| Federal Funds                         | 164,192                | 484,710                  | 498,347                            |
| Conservation Commission Fund          | 41,522                 | 43,180                   | 44,397                             |
| Parks Sales Tax Fund                  | 19,483                 | 20,262                   | 20,870                             |
| Soil and Water Sales Tax Fund         | 18,787                 | 19,538                   | 20,124                             |
| Petition Audit Revolving Trust Fund   | 90,975                 | 797,696                  | 820,678                            |
| <b>Full-time equivalent employees</b> | <b>129.65</b>          | <b>168.77</b>            | <b>168.77</b>                      |

# STATE TREASURER

## FINANCIAL SUMMARY

|  | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDED<br>FY 2008 |
|--|------------------------|--------------------------|------------------------------------|
| Administration                               | \$ 2,913,439           | \$ 2,838,373             | \$ 2,895,716                       |
| Issuing Duplicate and Outlawed Checks        | 936,628                | 1,000,000                | 1,000,000                          |
| Abandoned Fund Account                       | 24,679,167             | 16,000,001               | 16,000,001                         |
| <b>TOTAL</b>                                 | <b>\$ 28,529,234</b>   | <b>\$ 19,838,374</b>     | <b>\$ 19,895,717</b>               |
| <b>PERSONAL SERVICE</b>                      |                        |                          |                                    |
| State Treasurer's General Operations Fund    | 1,335,291              | 1,459,089                | 1,499,969                          |
| Treasurer's Information Fund                 | 89,663                 | 0                        | 0                                  |
| Central Check Mailing Service Revolving Fund | 20,826                 | 21,659                   | 22,309                             |
| Second Injury Fund                           | 37,875                 | 39,390                   | 40,572                             |
| Abandoned Fund Account                       | 459,433                | 487,700                  | 502,331                            |
| <b>EXPENSE AND EQUIPMENT</b>                 |                        |                          |                                    |
| State Treasurer's General Operations Fund    | 236,365                | 270,655                  | 270,655                            |
| Treasurer's Information Fund                 | 2,116                  | 8,000                    | 8,000                              |
| Central Check Mailing Service Revolving Fund | 125,126                | 225,000                  | 225,000                            |
| Second Injury Fund                           | 3,280                  | 3,280                    | 3,280                              |
| Abandoned Fund Account                       | 603,464                | 323,600                  | 323,600                            |
| <b>PROGRAM SPECIFIC DISTRIBUTION</b>         |                        |                          |                                    |
| General Revenue Fund                         | 6,153,201              | 1,000,001                | 1,000,001                          |
| Abandoned Fund Account                       | 19,462,594             | 16,000,000               | 16,000,000                         |
| <b>TOTAL</b>                                 | <b>\$ 28,529,234</b>   | <b>\$ 19,838,374</b>     | <b>\$ 19,895,717</b>               |
| General Revenue Fund                         | 6,153,201              | 1,000,001                | 1,000,001                          |
| State Treasurer's General Operations Fund    | 1,571,656              | 1,729,744                | 1,770,624                          |
| Treasurer's Information Fund                 | 91,779                 | 8,000                    | 8,000                              |
| Central Check Mailing Service Revolving Fund | 145,952                | 246,659                  | 247,309                            |
| Second Injury Fund                           | 41,155                 | 42,670                   | 43,852                             |
| Abandoned Fund Account                       | 20,525,491             | 16,811,300               | 16,825,931                         |
| <b>Full-time equivalent employees</b>        | <b>49.61</b>           | <b>49.40</b>             | <b>49.40</b>                       |

## ADMINISTRATION

The State Treasurer is responsible for receiving and investing state moneys, posting receipts to the proper funds, and signing warrants drawn according to law. As custodian of those funds, the Treasurer determines the amount of state moneys not needed for current operating expenses and invests those funds in interest-bearing time deposits in Missouri banking institutions or in short-term United States government obligations. The Treasurer is required to give due consideration to the preservation of state funds and the comparative yields available. The Treasurer also must determine whether the general welfare of the state is better served by investing state funds in United States securities or within the Missouri banking system.

The Treasurer also administers the state's unclaimed property law by collecting unclaimed or abandoned funds and property belonging to Missouri citizens and trying to locate the owners.

### Fiscal Year 2008 Governor's Recommendations

- \$57,343 other funds for pay plan.

**ELECTED OFFICIALS  
STATE TREASURER**

**ISSUING DUPLICATE AND OUTLAWED CHECKS**

These functions allow payment of claims against the state in cases where checks are not presented for payment within 12 months of issuance as required by law and in cases where checks are presented for payment more than five years after the date of issuance.

**Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

**ABANDONED FUND ACCOUNT**

In accordance with Section 447.543, RSMo, the Abandoned Fund Account has the two-fold purpose of receiving funds that have remained unclaimed for a period of seven years and making the payment of valid claims. Any time the fund exceeds \$50,000, the Treasurer may, and at least once every year shall, transfer the excess to general revenue. If verified claims for payment should reduce the balance in the account to less than \$25,000, the Treasurer shall transfer from general revenue an amount sufficient to restore the fund to \$50,000.

**Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

# ATTORNEY GENERAL

The Attorney General takes legal action to protect the rights and interests of the state, defends or prosecutes appeals to which the state is a party, provides opinions regarding state law, and assists prosecuting attorneys in the prosecution of cases. The Office of the Attorney General has several responsibilities for which specific funds have been established by law.

Section 27.080, RSMo, establishes the Attorney General's Court Costs Fund to receive deposits and make payments of court costs in litigation requiring the appearance of the Attorney General. This fund is supplemented by a transfer from general revenue.

Section 416.081, RSMo, creates the Antitrust Revolving Fund which is made up of deposits of ten percent of any court settlement of antitrust litigation involving the Attorney General. This fund is supplemented by a transfer from general revenue.

Chapter 287, RSMo, provides for the Attorney General to charge the Second Injury Fund for the cost of defending the fund.

Section 56.750, RSMo, establishes the Missouri Office of Prosecution Services within the Attorney General's Office. The Prosecution Services Office is funded through fees assessed as court costs in criminal cases. The office was established to develop uniform training and procedures for Missouri's prosecuting attorneys.

Sections 407.1070 to 407.1085, RSMo, establishes a no-call database to be maintained by the Attorney General for citizens who object to receiving telephone solicitations at home.

## **Fiscal Year 2008 Governor's Recommendations**

- \$98,400 and two staff to provide representation for the Missouri Commission on Human Rights.
- \$71,700 and one staff to implement provisions of HB 1698 (2006) related to sexual offenses.
- \$63,700 and one staff Petroleum Tank Storage Insurance Fund to increase compliance with the Petroleum Storage Tank Insurance Fund.
- \$56,845 and one staff Missouri Incarceration Reimbursement Fund to increase recoveries under the Missouri Incarceration Reimbursement Act (1988).
- \$45,200 and one staff for the representation of crime victims.
- \$43,200 and one staff to enforce provisions of Amendment 2 (2006) Stem Cell Initiative.
- \$526,938 for pay plan, including \$344,701 general revenue.

# ELECTED OFFICIALS

## ATTORNEY GENERAL (Continued)

|  | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDED<br>FY 2008 |
|--|------------------------|--------------------------|------------------------------------|
| Administration   | \$ 25,439,078          | \$ 24,051,053            | \$ 24,944,876                      |
| Missouri Office of Prosecution Services                | 629,647                | 2,697,498                | 2,709,658                          |
| TOTAL  | \$ 26,068,725          | \$ 26,748,551            | \$ 27,654,534                      |
| PERSONAL SERVICE                                       |                        |                          |                                    |
| General Revenue Fund                                   | 10,563,854             | 11,594,371               | 12,139,072                         |
| Federal Funds  | 1,772,300              | 2,515,976                | 2,591,454                          |
| Gaming Commission Fund                                 | 123,052                | 103,009                  | 106,099                            |
| Merchandising Practices Revolving Fund                 | 645,768                | 647,599                  | 667,026                            |
| Workers' Compensation Fund                             | 290,511                | 248,891                  | 256,358                            |
| Second Injury Fund                                     | 1,691,713              | 1,718,395                | 1,769,947                          |
| Missouri Office of Prosecution Services Fund           | 202,044                | 273,367                  | 281,569                            |
| Hazardous Waste Remedial Fund                          | 223,878                | 0                        | 0                                  |
| Other Funds  | 326,046                | 567,329                  | 676,850                            |
| EXPENSE AND EQUIPMENT                                  |                        |                          |                                    |
| General Revenue Fund                                   | 1,946,306              | 1,749,056                | 1,807,356                          |
| Federal Funds  | 562,722                | 2,233,081                | 2,081,182                          |
| Gaming Commission Fund                                 | 5,431                  | 30,747                   | 30,747                             |
| Attorney General's Court Costs Fund                    | 187,000                | 187,000                  | 187,000                            |
| Merchandising Practices Revolving Fund                 | 908,289                | 1,879,126                | 1,879,126                          |
| Workers' Compensation Fund                             | 26,590                 | 204,053                  | 204,053                            |
| Second Injury Fund                                     | 922,751                | 1,021,726                | 1,020,726                          |
| Missouri Office of Prosecution Services Fund           | 42,389                 | 1,211,310                | 1,171,310                          |
| Hazardous Waste Remedial Fund                          | 10,165                 | 0                        | 0                                  |
| Missouri Office of Prosecution Services Revolving Fund | 103,786                | 150,000                  | 150,000                            |
| Other Funds  | 5,233,200              | 78,915                   | 106,960                            |
| PROGRAM SPECIFIC DISTRIBUTION                          |                        |                          |                                    |
| General Revenue Fund                                   | 237,813                | 234,600                  | 234,800                            |
| Federal Funds  | 40,147                 | 100,000                  | 251,899                            |
| Second Injury Fund                                     | 1,000                  | 0                        | 1,000                              |
| Missouri Office of Prosecution Services Fund           | 1,970                  | 0                        | 40,000                             |
| TOTAL  | \$ 26,068,725          | \$ 26,748,551            | \$ 27,654,534                      |
| General Revenue Fund                                   | 12,747,973             | 13,578,027               | 14,181,228                         |
| Federal Funds  | 2,375,169              | 4,849,057                | 4,924,535                          |
| Gaming Commission Fund                                 | 128,483                | 133,756                  | 136,846                            |
| Attorney General's Court Costs Fund                    | 187,000                | 187,000                  | 187,000                            |
| Merchandising Practices Revolving Fund                 | 1,554,057              | 2,526,725                | 2,546,152                          |
| Workers' Compensation Fund                             | 317,101                | 452,944                  | 460,411                            |
| Second Injury Fund                                     | 2,615,464              | 2,740,121                | 2,791,673                          |
| Missouri Office of Prosecution Services Fund           | 246,403                | 1,484,677                | 1,492,879                          |
| Hazardous Waste Remedial Fund                          | 234,043                | 0                        | 0                                  |
| Missouri Office of Prosecution Services Revolving Fund | 103,786                | 150,000                  | 150,000                            |
| Other Funds  | 5,559,246              | 646,244                  | 783,810                            |
| Full-time equivalent employees                         | 403.34                 | 436.05                   | 443.05                             |

# JUDICIARY

## FINANCIAL SUMMARY

|   | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | FY 2008<br>REQUEST    | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|---|------------------------|--------------------------|-----------------------|-----------------------------------|
| Supreme Court & State Sentencing          |                        |                          |                       |                                   |
| Advisory Commission                       | \$ 7,837,157           | \$ 8,267,734             | \$ 8,893,573          | \$ 8,316,650                      |
| Office of State Courts Administrator      | 23,514,349             | 25,013,987               | 29,189,630            | 25,669,607                        |
| Court of Appeals                          | 9,924,320              | 10,162,583               | 11,274,267            | 10,282,010                        |
| Circuit Courts                            | 112,752,268            | 126,361,131              | 144,466,966           | 129,981,551                       |
| Drug Courts                               | 3,256,038              | 5,225,500                | 5,225,500             | 5,225,500                         |
| Commission on Retirement, Removal, and    |                        |                          |                       |                                   |
| Discipline of Judges                      | 185,629                | 209,181                  | 221,388               | 214,176                           |
| Appellate Judicial Commission             | 3,090                  | 7,741                    | 7,741                 | 7,741                             |
| <b>TOTAL</b>                              | <b>\$ 157,472,851</b>  | <b>\$ 175,247,857 *</b>  | <b>\$ 199,279,065</b> | <b>\$ 179,697,235</b>             |
| General Revenue Fund                      | 140,269,453            | 155,267,876              | 175,929,068           | 159,174,952                       |
| Federal Funds                             | 8,385,862              | 9,700,642                | 13,165,920            | 10,284,578                        |
| Third Party Liability Collections Fund    | 256,529                | 366,067                  | 366,067               | 373,208                           |
| Statewide Court Automation Fund           | 3,987,122              | 4,356,594                | 4,356,594             | 4,400,736                         |
| Supreme Court Publications Revolving Fund | 103,473                | 150,000                  | 150,000               | 150,000                           |
| Missouri CASA Fund                        | 77,988                 | 100,000                  | 100,000               | 100,000                           |
| Crime Victims' Compensation Fund          | 887,200                | 887,200                  | 887,200               | 887,200                           |
| Circuit Courts Escrow Fund                | 0                      | 505,500                  | 505,500               | 505,500                           |
| Basic Civil Legal Services Fund           | 3,274,130              | 3,288,716                | 3,288,716             | 3,291,061                         |
| State Court Administration Fund           | 147,801                | 230,000                  | 230,000               | 230,000                           |
| Domestic Relations Resolution Fund        | 83,293                 | 395,262                  | 300,000               | 300,000                           |
| <b>Full-time equivalent employees</b>     | <b>3,304.34</b>        | <b>3,383.55</b>          | <b>3,691.01</b>       | <b>3,393.05</b>                   |

\* Does not include \$552,425 recommended in the Fiscal Year 2007 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding Judiciary supplemental appropriations.

## DEPARTMENT SUMMARY

Governor Blunt's Fiscal Year 2008 budget provides a total of \$179.7 million for the Judiciary. The Judiciary ensures Missourians have a fair and accessible forum for the adjudication of civil disputes and criminal charges.

## **JUDICIARY**

### **SUPREME COURT AND STATE SENTENCING ADVISORY COMMISSION**

The Supreme Court has exclusive appellate jurisdiction in all cases involving: the validity of a treaty or statute of the United States or of a statute or provision of the Missouri Constitution; the construction of the state's revenue laws; the title to any state office; and, in all cases, where the punishment imposed is death. In addition, the court may order cases transferred to it from the Court of Appeals if the cases involve questions of general interest or importance, if the court thinks the existing law should be reexamined, if the opinion conflicts with prior opinions, or for other reasons provided by rule of the court. The Court of Appeals also may order a case transferred to the Supreme Court after opinion either by order of the Court of Appeals itself, or by the dissent of a court of appeals judge.

The court is also authorized by the Constitution to establish rules for practice and procedure in the courts and to make temporary transfers of judicial personnel. In addition to its decision-making powers, the Supreme Court supervises all lower courts in the state (assisted by the Office of State Courts Administrator), licenses all lawyers practicing in Missouri, and disciplines those found guilty of violating the Rules of Professional Conduct.

The first Missouri Sentencing Advisory Commission was created in HB 974 in 1990. The commission completed its work in 1998. In 2003, SB 5 revised the commission, creating new deadlines and responsibilities. The statutory requirements for the sentencing commission are:

- Study and evaluate sentencing disparity.
- Establish and distribute a system of recommended sentences.
- Study alternative sentencing and prepare a feasibility study.
- Publish, distribute, and revise recommended sentences every two years.

The commission is comprised of one member of the House, one member of the Senate, Director of the Department of Corrections, six members appointed by the Governor, and two members appointed by the Supreme Court.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$96,916 for pay plan, including \$81,731 general revenue.
- (\$48,000) transferred to the Department of Corrections.

### **OFFICE OF STATE COURTS ADMINISTRATOR**

The Office of State Courts Administrator fulfills the administrative obligations of the Supreme Court, which are mandated under the judicial article and the statutes. Staff of the office provides technical assistance, statistical analysis, financial system analysis, continuing education, and automation support functions for the courts. The office assists in policy direction for the Statewide Judicial Information System and Missouri Court Automation, collects and analyzes caseload data from the courts, develops and operates appellate and circuit record-keeping systems, develops and operates administrative systems, prepares the judicial budget, and maintains the personnel system for the courts. The office processes payrolls for all state-paid circuit court employees and all other state expenditures of the Supreme Court and circuit courts. The fundamental strategic goal is to build an integrated court system that renders geography largely irrelevant with greater efficiency, wider access, and enhanced accountability for the litigant and taxpayer.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$370,016 federal funds for juvenile court improvement projects.
- \$285,604 for pay plan, including \$179,228 general revenue.

## **JUDICIARY**

### **COURT OF APPEALS**

Missouri's current appellate structure—a single Court of Appeals consisting of three districts—was established by a 1970 constitutional amendment. The Eastern District sits in St. Louis, the Western District sits in Kansas City, and the Southern District holds sessions in Springfield and Poplar Bluff. The number of judges in each district is set by statute. The Eastern District has 14 judges, the Western District has 11 judges, and the Southern District has 7 judges.

The Court of Appeals may issue and determine original remedial writs and has general appellate jurisdiction in all cases not within the exclusive jurisdiction of the Supreme Court. Cases not within the Supreme Court's exclusive jurisdiction may be transferred from the Court of Appeals to the Supreme Court when it is determined that a case involves an important issue that should be decided by the state's highest court.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$159,427 for pay plan.
- (\$40,000) reduction from the Fiscal Year 2007 appropriation level.

### **CIRCUIT COURTS**

Circuit courts are established by Article V, Section 1 of the Constitution of Missouri. The boundaries, circuit number, and inclusive counties of the 45 circuits are established by Chapter 478, RSMo. The circuit court is the exclusive trial court in Missouri. It is comprised of circuit judges, associate circuit judges, and municipal judges. Municipalities under 400,000 population may, and those over 400,000 must, make provision for judges to hear municipal ordinance violations. If such provision is not made, municipalities will file such cases before an associate circuit judge.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$606,404 for the Fines Collection Center.
- \$443,717 and 6.5 staff for statutorily mandated positions including a Family Court Commissioner in the 29<sup>th</sup> Judicial Circuit, a Drug Court Commissioner in the 42<sup>nd</sup> Circuit, and Circuit Court Judges in the 23<sup>rd</sup> and 11<sup>th</sup> Judicial Circuits as pursuant to SB 420 (2005) as well as an additional Associate Circuit Judge in the 13<sup>th</sup> Circuit as pursuant to SB 5 (2003).
- \$125,388 and two staff for a population-driven statutorily mandated judgeship in Stone County.
- \$96,000 and one staff for a Family Court Commissioner in the 31<sup>st</sup> Judicial Circuit.
- \$2,348,911 for pay plan, including \$2,298,186 general revenue.
- \$95,262 federal funds and two staff reallocated from other funds.
- (\$95,262) other funds and (two) staff reallocated to federal funds.

### **DRUG COURTS**

The main purpose of a drug court program is to use the authority of the court to reduce crime by changing defendants' drug-using behavior. Under this concept, defendants are diverted to drug court programs in various ways and at various stages of the judicial process, depending on the circumstances. Drug courts provide the court system an additional tool to reduce the number of people coming into the court and penal systems because of substance abuse by reducing the rate of recidivism. Additionally, providing drug treatment programs decreases the negative consequences of drug abuse by reducing the number of additional cases filed involving family disputes, abuse and neglect, truancy, property crimes, and crimes of violence.

In 1998, the legislature passed HB 1147, which allows any circuit to establish a drug court that shall combine judicial supervision, drug testing, and treatment of drug court participants. HB 471, passed by the General Assembly in 2001, established a "Drug Court Coordinating Commission" composed of eight members: one member selected by the director of the Department of Corrections, one member selected by the director of the Department of Social Services, one member selected by the director of the Department of Mental Health, one member selected by the director of the Department of Public Safety, one member selected by the Office of State Courts Administrator, and three members selected by the Supreme Court. The commission is to evaluate, secure, coordinate, and allocate funding resources to the various drug courts around the state.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.



## **JUDICIARY**

### **COMMISSION ON RETIREMENT, REMOVAL, AND DISCIPLINE OF JUDGES**

The Commission on Retirement, Removal, and Discipline of Judges, authorized in Article V, Section 24 of the Missouri Constitution, receives and investigates all requests and suggestions concerning retirement for disability and all complaints concerning misconduct of judges, members of the judicial commissions, and members of this commission. The commission is composed of two citizens who are not members of the bar and who are appointed by the Governor, two lawyers appointed by the governing body of the Missouri Bar, one judge of the Court of Appeals selected by a majority of the judges of the Court of Appeals, and one judge of the circuit courts selected by a majority of the circuit judges of this state.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$4,995 for pay plan.

### **APPELLATE JUDICIAL COMMISSION**

The Appellate Judicial Commission consists of a judge of the Supreme Court, one member of the bar from each appeals district, and one citizen not a member of the bar from each appeals district. The commission considers vacant judgeships of the Supreme Court or the Court of Appeals. The Circuit Judicial Commission consists of the chief judge of the Court of Appeals over the district, two members of the bar residing in the judicial circuit, and two citizens not members of the bar residing in the circuit. This commission considers vacancies in the office of circuit judge or associate circuit judge in those districts subject to nonpartisan selection of judges.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

# OFFICE OF THE STATE PUBLIC DEFENDER

## FINANCIAL SUMMARY

|                                     | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | FY 2008<br>REQUEST | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|-------------------------------------|------------------------|--------------------------|--------------------|-----------------------------------|
| Defender Services                   | \$ 26,221,775          | \$ 28,096,320            | \$ 47,879,035      | \$ 29,289,104                     |
| Federal Grants                      | 0                      | 125,000                  | 125,000            | 125,000                           |
| Legal Defense and Defender Fund     | 1,205,707              | 1,972,829                | 2,972,829          | 2,976,491                         |
| Homicide/Conflict of Interest Cases | <u>2,241,104</u>       | <u>2,241,502</u>         | <u>12,575,502</u>  | <u>2,241,502</u>                  |
| DEPARTMENT TOTAL                    | \$ 29,668,586          | \$ 32,435,651            | \$ 63,552,366      | \$ 34,632,097                     |
| PERSONAL SERVICE                    |                        |                          |                    |                                   |
| General Revenue Fund                | 22,711,058             | 24,859,129               | 36,456,788         | 25,604,904                        |
| Legal Defense and Defender Fund     | 53,516                 | 122,073                  | 122,073            | 125,735                           |
| EXPENSE AND EQUIPMENT               |                        |                          |                    |                                   |
| General Revenue Fund                | 5,751,821              | 5,478,693                | 23,997,749         | 5,925,702                         |
| Legal Defense and Defender Fund     | 1,092,201              | 1,819,276                | 2,819,276          | 2,819,276                         |
| PROGRAM SPECIFIC DISTRIBUTION       |                        |                          |                    |                                   |
| Federal Funds                       | 0                      | 125,000                  | 125,000            | 125,000                           |
| Legal Defense and Defender Fund     | <u>59,990</u>          | <u>31,480</u>            | <u>31,480</u>      | <u>31,480</u>                     |
| TOTAL                               | \$ 29,668,586          | \$ 32,435,651            | \$ 63,552,366      | \$ 34,632,097                     |
| General Revenue Fund                | 28,462,879             | 30,337,822               | 60,454,537         | 31,530,606                        |
| Federal Funds                       | 0                      | 125,000                  | 125,000            | 125,000                           |
| Legal Defense and Defender Fund     | 1,205,707              | 1,972,829                | 2,972,829          | 2,976,491                         |
| Full-time equivalent employees      | 558.01                 | 560.13                   | 774.38             | 560.13                            |

\* Does not include \$1,415,500 recommended in the Fiscal Year 2007 Supplemental Appropriations, including \$415,500 general revenue. See the Supplemental section of the Missouri Budget for details regarding Office of the State Public Defender supplemental appropriations.

## OFFICE SUMMARY

The Sixth Amendment of the U.S. Constitution assures that no person accused of a crime and unable to pay for legal assistance shall face trial without counsel. Established in 1982, the Office of the State Public Defender exists as a system for providing defense services to every jurisdiction within the state by means of a centrally administered organization having a full-time staff. The State Public Defender System fulfills the constitutional guarantee of legal counsel for persons accused of criminal offenses in Missouri's 45 judicial circuits (embracing 114 counties and the City of St. Louis). Functioning as an independent department of the Missouri judicial branch, the Office of the State Public Defender is charged with providing legal defense for indigents accused of criminal offenses. Governor Blunt's Fiscal Year 2008 budget provides a total of \$34.6 million for the Office of the State Public Defender.

### Fiscal Year 2008 Governor's Recommendations

- \$1,000,000 other funds for the Legal Defense and Defender Fund.
- \$447,009 for increased costs due to caseload growth.
- \$749,437 for pay plan, including \$745,775 general revenue.

# GENERAL ASSEMBLY

## FINANCIAL SUMMARY

|  | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | FY 2008<br>REQUEST | GOVERNOR'S<br>RECOMMENDATION |
|--|------------------------|--------------------------|--------------------|------------------------------|
| Expenses of the Senate                   | \$ 9,700,312           | \$ 10,274,288            | \$ 10,314,288      | \$ 10,536,249                |
| Expenses of the House of Representatives | 18,192,155             | 19,204,009               | 19,204,009         | 19,471,647                   |
| Interstate Organizations                 | 40,000                 | 191,042                  | 205,850            | 205,850                      |
| Committee on Legislative Research        | 1,673,669              | 2,226,239                | 2,226,239          | 2,282,426                    |
| Joint Committees of the General Assembly | 355,217                | 598,387                  | 678,387            | 693,040                      |
| TOTAL                                    | \$ 29,961,353          | \$ 32,493,965            | \$ 32,628,773      | \$ 33,189,212                |
| General Revenue Fund                     | 29,812,209             | 32,300,398               | 32,435,206         | 32,994,962                   |
| House of Representatives Revolving Fund  | 13,657                 | 45,000                   | 45,000             | 45,000                       |
| Senate Revolving Fund                    | 40,000                 | 40,000                   | 40,000             | 40,000                       |
| Statutory Revision Fund                  | 95,487                 | 108,567                  | 108,567            | 109,250                      |
| Full-time equivalent employees           | 668.15                 | 711.84                   | 712.84             | 712.84                       |

## GENERAL ASSEMBLY

### EXPENSES OF THE SENATE

Article III of the Missouri Constitution provides for the legislative branch of Missouri state government, consisting of the House of Representatives and the Senate. The Senate is composed of 34 members elected for four-year terms.

The budget of the Senate includes funding for members' statutory salaries, travel reimbursement of 41.5 cents per mile, a per diem of \$79.20, staff support, and interim committee expenses. The Senate appropriation also includes funds for several joint committees.

#### Fiscal Year 2008 Governor's Recommendations

- \$40,000 for increased mileage costs.
- \$221,961 for pay plan.

|                                | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | FY 2008<br>REQUEST | GOVERNOR'S<br>RECOMMENDATION |
|--------------------------------|------------------------|--------------------------|--------------------|------------------------------|
| Salaries of Members            | \$ 1,044,057           | \$ 1,071,448             | \$ 1,071,448       | \$ 1,071,448                 |
| Mileage of Members             | 56,092                 | 56,435                   | 96,435             | 96,435                       |
| Per Diem of Members            | 213,110                | 226,100                  | 226,100            | 226,100                      |
| Senate Contingent Expenses     | 8,327,728              | 8,820,305                | 8,820,305          | 9,042,266                    |
| Joint Contingent Expenses      | 59,325                 | 100,000                  | 100,000            | 100,000                      |
| TOTAL                          | \$ 9,700,312           | \$ 10,274,288            | \$ 10,314,288      | \$ 10,536,249                |
| General Revenue Fund           | 9,660,312              | 10,234,288               | 10,274,288         | 10,496,249                   |
| Senate Revolving Fund          | 40,000                 | 40,000                   | 40,000             | 40,000                       |
| Full-time equivalent employees | 207.62                 | 214.00                   | 214.00             | 214.00                       |

## GENERAL ASSEMBLY

### EXPENSES OF THE HOUSE OF REPRESENTATIVES

Article III of the Missouri Constitution provides for the legislative branch of Missouri state government, consisting of the House of Representatives and the Senate. The House is composed of 163 members who are elected for two-year terms.

The budget of the House of Representatives includes funding for the members' statutory salaries, a per diem of \$79.20, travel reimbursement of 41.5 cents per mile, and staff support.

#### Fiscal Year 2008 Governor's Recommendations

- \$267,638 for pay plan.

|   | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | FY 2008<br>REQUEST | GOVERNOR'S<br>RECOMMENDATION |
|---|------------------------|--------------------------|--------------------|------------------------------|
| Salaries of Members                     | \$ 5,043,914           | \$ 5,117,283             | \$ 5,117,283       | \$ 5,117,283                 |
| Mileage of Members                      | 328,554                | 400,491                  | 400,491            | 400,491                      |
| Per Diem of Members                     | 929,121                | 1,290,960                | 1,290,960          | 1,290,960                    |
| House Contingent Expenses               | 10,312,110             | 10,784,796               | 10,784,796         | 11,051,904                   |
| Representatives' Expense Vouchers       | 1,564,799              | 1,565,479                | 1,565,479          | 1,566,009                    |
| House Revolving Fund                    | 13,657                 | 45,000                   | 45,000             | 45,000                       |
| TOTAL                                   | \$ 18,192,155          | \$ 19,204,009            | \$ 19,204,009      | \$ 19,471,647                |
| General Revenue Fund                    | 18,178,498             | 19,159,009               | 19,159,009         | 19,426,647                   |
| House of Representatives Revolving Fund | 13,657                 | 45,000                   | 45,000             | 45,000                       |
| Full-time equivalent employees          | 417.32                 | 441.84                   | 441.84             | 441.84                       |

## GENERAL ASSEMBLY

### INTERSTATE ORGANIZATIONS

Missouri's dues to the Council of State Governments, the National Conference of State Legislatures, and the National Conference of Commissioners on Uniform State Laws are paid from these funds.

#### Fiscal Year 2008 Governor's Recommendations

- \$14,808 for increased dues expense.

|                              | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR'S<br>RECOMMENDATION |
|------------------------------|------------------------|--------------------------|------------------------------|
| Interstate Organization Dues |                        |                          |                              |
| General Revenue Fund         | \$ 40,000              | \$ 191,042               | \$ 205,850                   |

### COMMITTEE ON LEGISLATIVE RESEARCH

#### ADMINISTRATION

In accordance with Sections 23.010 through 23.190, RSMo, a permanent joint committee of the General Assembly is established, comprised of the chair of the Senate Appropriations Committee and nine other senators, and the chair of the House Budget Committee and nine other representatives. The Committee on Legislative Research has staff support to perform the following services for the members of the General Assembly:

- Provide a research and reference service on legislative issues.
- Make investigations into legislative and governmental institutions to aid the General Assembly.
- Assist any interim legislative committee or commission created by the General Assembly.
- Draft or aid in drafting bills, resolutions, memorials, and amendments.
- Prepare fiscal notes for legislation introduced in either house of the General Assembly.
- Conduct management audits and performance audits of state agencies.
- Maintain a legislative library for a reference service to the General Assembly and public.

#### Fiscal Year 2008 Governor's Recommendations

- \$56,187 for pay plan, including \$55,504 general revenue.

|                                | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR'S<br>RECOMMENDATION |
|--------------------------------|------------------------|--------------------------|------------------------------|
| Administration                 | \$ 888,940             | \$ 1,216,207             | \$ 1,249,296                 |
| Statute Publication            | 255,226                | 275,246                  | 277,501                      |
| Oversight Division             | 529,503                | 734,786                  | 755,629                      |
| TOTAL                          | \$ 1,673,669           | \$ 2,226,239             | \$ 2,282,426                 |
| General Revenue Fund           | 1,578,182              | 2,117,672                | 2,173,176                    |
| Statutory Revision Fund        | 95,487                 | 108,567                  | 109,250                      |
| Full-time equivalent employees | 35.26                  | 46.00                    | 46.00                        |

## GENERAL ASSEMBLY

### JOINT COMMITTEES

These are statutory committees composed of members of the House and Senate and, in some cases, gubernatorial appointees.

#### Fiscal Year 2008 Governor's Recommendations

- \$80,000 and one staff for the establishment of the Joint Committee on Education.
- \$14,653 for pay plan.

|   | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | FY 2008<br>REQUEST | GOVERNOR'S<br>RECOMMENDATION |
|---|------------------------|--------------------------|--------------------|------------------------------|
| Joint Committee Corrections             | \$ 1,901               | \$ 12,000                | \$ 12,000          | \$ 12,000                    |
| Joint Committee on Administrative Rules | 96,763                 | 123,296                  | 123,296            | 126,095                      |
| Joint Committee Retirement System       | 129,164                | 160,525                  | 160,525            | 164,835                      |
| Joint Capital Improvements Committee    | 96,575                 | 122,965                  | 122,965            | 126,086                      |
| Joint Committee on Transportation       | 30,814                 | 104,601                  | 104,601            | 107,524                      |
| Joint Committee on Tax Policy           | 0                      | 75,000                   | 75,000             | 76,500                       |
| Joint Committee on Education            | 0                      | 0                        | 0                  | 80,000                       |
| TOTAL                                   | \$ 355,217             | \$ 598,387               | \$ 598,387         | \$ 693,040                   |
| General Revenue Fund                    | 355,217                | 598,387                  | 598,387            | 693,040                      |

|                                |      |       |       |       |
|--------------------------------|------|-------|-------|-------|
| Full-time equivalent employees | 7.95 | 10.00 | 10.00 | 11.00 |
|--------------------------------|------|-------|-------|-------|

# DEPARTMENT OF AGRICULTURE

## FINANCIAL SUMMARY

|  | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | FY 2008<br>REQUEST | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|--|------------------------|--------------------------|--------------------|-----------------------------------|
| Office of the Director                       | \$ 8,974,774           | \$ 16,293,025            | \$ 51,870,927      | \$ 51,400,790                     |
| Information Technology                       | 711,612                | 0                        | 0                  | 0                                 |
| Facility Services                            | 0                      | 372,217                  | 0                  | 0                                 |
| Agriculture Business Development             | 2,589,681              | 4,848,060                | 4,680,541          | 4,378,775                         |
| Division of Animal Health                    | 3,738,038              | 4,941,432                | 5,414,158          | 5,234,728                         |
| Division of Grain Inspection and Warehousing | 1,939,710              | 2,958,459                | 2,793,910          | 2,836,871                         |
| Division of Plant Industries                 | 2,303,437              | 3,290,776                | 3,429,956          | 4,092,294                         |
| Division of Weights and Measures             | 2,682,005              | 3,551,231                | 3,748,156          | 3,742,924                         |
| Missouri State Fair                          | 4,336,737              | 4,855,119                | 4,891,529          | 4,944,734                         |
| State Milk Board                             | 1,311,822              | 1,581,486                | 1,596,406          | 1,592,237                         |
| DEPARTMENTAL TOTAL                           | \$ 28,587,816          | \$ 42,691,805 *          | \$ 78,425,583      | \$ 78,223,353                     |
| General Revenue Fund                         | 16,252,834             | 22,832,655               | 59,595,317         | 59,286,714                        |
| Federal Funds                                | 1,864,911              | 4,933,906                | 4,724,278          | 4,742,270                         |
| State Fair Fees Fund                         | 3,865,063              | 4,682,337                | 4,390,080          | 4,427,236                         |
| Milk Inspection Fees Fund                    | 1,222,070              | 1,450,737                | 1,481,698          | 1,482,578                         |
| Grain Inspection Fees Fund                   | 1,162,338              | 2,047,589                | 1,893,699          | 1,924,395                         |
| Petroleum Inspection Fund                    | 1,621,024              | 2,211,763                | 2,206,931          | 2,210,868                         |
| Petroleum Violation Escrow Fund              | 165,409                | 0                        | 0                  | 0                                 |
| Marketing Development Fund                   | 1,155,443              | 1,670,401                | 832,411            | 832,101                           |
| Other Funds                                  | 1,278,724              | 2,862,417                | 3,301,169          | 3,317,191                         |
| Full-time equivalent employees               | 351.09                 | 413.30                   | 411.80             | 402.30                            |

\* Does not include \$8,443,709 recommended in the Fiscal Year 2007 Supplemental Appropriations, including \$5,288,505 general revenue. See the Supplemental section of the Missouri Budget for details regarding the Department of Agriculture supplemental appropriations.

## DEPARTMENT SUMMARY

Governor Blunt's Fiscal Year 2008 budget provides a total of \$78.2 million for the Department of Agriculture. The department provides services for Missouri's farmers, ranchers, and agricultural processors. The core functions provided by the Department of Agriculture include:

- Promoting Missouri agriculture, both at home and abroad.
- Assisting start-up value-added agriculture businesses.
- Protecting Missouri's livestock and domestic animals, and the businesses and citizens who rely on them.
- Inspecting Missouri's fresh fruits, vegetables, milk, feed, seed, and forest products.
- Regulation, control, and inspection of measuring devices and petroleum products.



## **DEPARTMENT OF AGRICULTURE**

### **OFFICE OF THE DIRECTOR**

The Office of the Director makes policy decisions on agricultural issues, sets the department's goals and priorities, and coordinates activities of the various divisions to achieve those goals. The Office of the Director includes administrative functions such as fiscal services, human resources, and public information. The Director's Office also administers the Ethanol Producer Incentive Program and the Biodiesel Producer Incentive Program.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$28,500,000 for incentives for biodiesel plants.
- \$6,407,200 for incentives for ethanol plants.
- \$331,213 federal and other funds for vehicle replacements.
- \$154,269 and two staff to audit for compliance with statutory and regulatory financial aid requirements.
- \$25,083 for pay plan, including \$18,919 general revenue.
- (\$310,000) federal and other funds core reduction for one-time expenditures.

### **FACILITY SERVICES**

Responsibility for management of facility related services has been transferred to the Office of Administration. The Facilities Management, Design and Construction Division will be the central point for these services.

#### **Fiscal Year 2008 Governor's Recommendations**

- (\$335,807) State Fair Fees Fund transferred to the Office of Administration for the statewide consolidation of fuel and utility purchases and facility related service contracts.
- (\$36,410) State Fair Fees Fund reallocated to the Missouri State Fair.

### **DIVISION OF AGRICULTURE BUSINESS DEVELOPMENT**

The Agriculture Business Development Division (ABD) increases the profitability of Missouri's farmers and agribusinesses by increasing international and domestic sales of agricultural products that are produced or processed in Missouri. The division provides six specific services: (1) business counseling, (2) domestic marketing assistance, (3) international marketing assistance, (4) industry facilitation, (5) product promotion, and (6) financial programs. The first five of these services are administered through the Business Services Program of ABD. Financial programs are administered through the Missouri Agriculture and Small Business Development Authority (MASBDA), which is governed by an independent board. MASBDA administers loans, loan guarantees, grants, and tax credits aimed at increasing the profitability of Missouri's farmers.

ABD also administers the AgriMissouri branding initiative which promotes products that are produced or processed in Missouri through a variety of marketing channels, including retail, restaurants, schools, institutions, and direct-to-consumer marketing. Over 250 Missouri businesses are members of AgriMissouri. Members of the Commission on the Marketing of Missouri Agricultural Products serve as advisors to the department's AgriMissouri marketing efforts.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$58,622 and one staff to enhance and expand current efforts to foster a quality "brand" identity for Missouri agricultural products.
- \$42,093 for pay plan, including \$27,513 general revenue.
- (\$500,000) federal and other funds core reduction for one-time expenditures.
- (\$70,000) Agriculture Development Fund and (two) staff core reduction from the Fiscal Year 2007 appropriation level.

## **DEPARTMENT OF AGRICULTURE**

### **DIVISION OF ANIMAL HEALTH**

The Division of Animal Health implements programs to protect Missouri's livestock, poultry, and other domestic animals from dangerous, infectious, or contagious diseases. These responsibilities include the enforcement of animal health regulations as required under Section 267.230. Through control and elimination of diseases and diseased animals, the division enables Missouri's livestock and poultry to remain eligible for interstate and international export marketing. Diagnostic laboratories are maintained in Jefferson City and Springfield, and additional professional services are contracted through the University of Missouri-Columbia College of Veterinary Medicine. The division also works closely with USDA-Veterinary Services and receives significant federal funding as a result of this relationship.

The division's Meat and Poultry Inspection Program works with producers to promote, protect, and develop the agricultural interests of Missouri processed meat products. This program helps livestock and poultry producers add value to their operations and capture additional profits from their meat products. To ensure the health and well being of companion animals sold in Missouri, the division also licenses and inspects animal shelters, dog pounds, boarding kennels, commercial kennels, contract kennels, and pet shops.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$198,000 to track marketed livestock transactions by providing livestock markets with the radio frequency identification tags and scanners.
- \$108,100 and two staff to enhance the State Meat Inspection Program, including \$54,050 general revenue.
- \$10,000 for additional and unanticipated third-party audit costs necessary to maintain the Quality Systems Assessment Program.
- \$81,294 for pay plan, including \$49,956 general revenue.
- (\$104,098) federal and other funds and (4.5) staff core reduction from the Fiscal Year 2007 appropriation level.

### **DIVISION OF GRAIN INSPECTION AND WAREHOUSING**

The Division of Grain Inspection and Warehousing operates four programs to assist Missouri grain farmers and agribusinesses. The Grain Regulatory Services Program enforces the Grain Warehouse Law, Chapter 411, RSMo, and the Grain Dealers Law, Section 276.401-276.581, RSMo, to ensure grain producers that licensed grain warehouses and grain dealers are reputable businesses in sound financial condition.

The Grain Inspection Services Program performs official inspection and weighing of grain upon request to assist both grain farmers and grain businesses in the marketing of Missouri's corn, soybean, wheat, and other grain crops. All costs are paid from fees charged for services performed.

The division also administers the state's Certified Agricultural Mediation Program, which mediates disputes between Missouri farmers and USDA agencies, and the Commodity Merchandising Program, which provides centralized administration for the collection and distribution of fees for nine commodity check-off programs.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$65,947 for pay plan, including \$19,533 general revenue.
- (\$163,944) federal and other funds and (five) staff core reduction from the Fiscal Year 2007 appropriation level.
- (\$23,591) Grain Inspection Fees Fund transferred to the Office of Administration for the statewide consolidation of information technology services.

### **DIVISION OF PLANT INDUSTRIES**

The Division of Plant Industries operates six programs and two laboratories serving Missouri agriculture. The Feed and Seed Program performs sampling and laboratory analyses of planting seed and commercial feeds to ensure that they meet requirements for accurate labeling. Inspections are also conducted to ensure good manufacturing practices are followed and that prohibited mammalian protein is not formulated into feed rations to help prevent the dissemination of BSE (Mad Cow Disease).

The Pesticide Control Program promotes the safe use of pesticides by licensing private and commercial applications, conducting field inspections, conducting investigations of pesticide misuse, and ensuring the proper registration of pesticides. The Plant Pest Control Program conducts inspections of nurseries, greenhouses, and other plant products to prevent the introduction and dissemination of insect, disease, and noxious weed pests that could be detrimental to plants and crops. Phytosanitary certification inspections are also conducted for plant materials being exported to other states and countries.

## **DEPARTMENT OF AGRICULTURE**

### **DIVISION OF PLANT INDUSTRIES (Continued)**

The Integrated Pest Management Program (IPM) promotes effective alternative strategies to traditional pest control through the use of biological control agents, pest resistant varieties, and adoption of improved cultural practices. The IPM Program also administers the Boll Weevil Eradication Program. The Forest Resources and Weed Control Program inspects treated wood products to ensure that minimum preservation standards are met and assists county weed control boards in the control and eradication of Johnson grass, a noxious weed. The Fresh Fruit and Vegetable Inspection Program performs shipping point and terminal market inspections of fresh produce to facilitate the sale of Missouri grown produce and ensure the quality of produce sold to consumers.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$710,909 to replace laboratory equipment and supplies.
- \$50,000 to support Gypsy Moth monitoring and control efforts.
- \$5,700 to secure a field-accessible seed information system replacement.
- \$59,590 for pay plan, including \$45,229 general revenue.
- (\$24,681) core reduction for one-time expenditures.
- (.5) staff core reduction from the Fiscal Year 2007 appropriation level.

### **DIVISION OF WEIGHTS AND MEASURES**

The Division of Weights and Measures operates four regulatory programs and two laboratories to fulfill its goal of protecting consumers. The Device and Commodity Program inspects livestock market, grain elevator, vehicle, and small retail scales and scanning devices to ensure their accuracy. In addition, milk sales practices are monitored and shell eggs are inspected for quality.

The Petroleum/Propane/Anhydrous Ammonia Program protects consumers against inaccurate and unsafe gasoline pumps and unsafe practices by the retailer. In addition, they approve propane gas delivery truck and dispenser meters to prevent overcharges on fuel bills and oversee anhydrous ammonia fertilizer installations for safety.

The Metrology Laboratory certifies volume and weight standards used by device service repair technicians, maintains all mass and volume standards used for calibrating industry standards, and certifies all weighing and measuring devices used by the division's inspectors. In addition, the Moisture Meter Program protects Missouri farmers against unjustified discounts on grain sales due to inaccurate moisture content values.

The Fuel Quality Program and laboratory collect samples and perform chemical analyses on gasoline, diesel fuel, heating oil, and other fuels to ensure that octane and other quality specifications are met.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$286,563 to replace two large commodity scale inspection trucks.
- \$70,859 for pay plan, including \$28,881 general revenue.
- (\$165,729) core reduction for one-time expenditures.

## **DEPARTMENT OF AGRICULTURE**

### **MISSOURI STATE FAIR**

The Missouri State Fair is held annually in August on the state fairgrounds in Sedalia. The fair provides a showcase for livestock, agricultural products, commercial exhibits, and other displays. In addition, the fair offers a variety of entertainment and educational events. The fairgrounds are used during the rest of the year for more than 300 exhibits, sales, meetings, competitions, and entertainment events.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$53,205 for pay plan, including \$16,049 general revenue.
- \$36,410 State Fair Fees Fund reallocated from Facility Services.

### **STATE MILK BOARD**

The State Milk Board inspects, samples, and tests milk and milk products ensuring that they are wholesome and safe for consumption. The board operates both a Grade A Milk Inspection Program and a Manufacturing Grade Milk Inspection Program to ensure milk quality. An inspection fee of up to five cents per one hundred pounds of Grade A milk is assessed and deposited in the Milk Inspection Fees Fund to cover all costs of the Grade A Milk Inspection Program. The Manufacturing Grade Milk Inspection Program, which ensures sanitation and quality standards for milk used only for manufacturing dairy products (e.g. cheese, butter, and ice cream), is funded from general revenue because inspection fees have not been assessed on manufacturing grade milk producers. Approximately one-half of all Grade A milk is consumed as fluid milk with the remainder used for manufacturing purposes.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$95,000 Milk Inspection Fees Fund to increase staff pay for additional duties performed under the consolidation of milk inspection and rating functions, pursuant to SB 1017 (2005).
- \$10,751 for pay plan, including \$3,076 general revenue.
- (\$95,000) Milk Inspection Fees Fund and (four) staff core reduction from the Fiscal Year 2007 appropriation level.

# DEPARTMENT OF CONSERVATION

## FINANCIAL SUMMARY

|                                | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | FY 2008<br>REQUEST | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|--------------------------------|------------------------|--------------------------|--------------------|-----------------------------------|
| Personal Service               | \$ 73,776,497          | \$ 82,030,734            | \$ 82,030,734      | \$ 84,236,004                     |
| Expense and Equipment          | 46,841,605             | 53,259,674               | 53,259,674         | 53,259,674                        |
| Program Specific Distribution  | 6,949,688              | 5,758,465                | 5,758,465          | 5,758,465                         |
| TOTAL                          |                        |                          |                    |                                   |
| Conservation Commission Fund   | \$ 127,567,790         | \$ 141,048,873           | \$ 141,048,873     | \$ 143,254,143                    |
| Full-time equivalent employees | 1,867.60               | 1,871.61                 | 1,871.61           | 1,871.61                          |

## DEPARTMENT SUMMARY

Governor Blunt's Fiscal Year 2008 budget provides a total of \$143 million for the Department of Conservation to support its mission to protect and manage the fish and wildlife resources of Missouri. In 1976, Missouri voters endorsed a measure authorizing a one-eighth of one-cent sales tax to provide for conservation services. This dedicated funding source has allowed the department to be self-sustaining and has helped foster abundant fish, wildlife, forestry, and water resources for generations of Missourians. Governor Blunt continues to encourage the department to serve the public responsibly, to facilitate the public's participation in resource management activities, and to provide an opportunity for all citizens to use, enjoy, and learn about Missouri's natural treasures.

### Fiscal Year 2008 Governor's Recommendations

- \$2,205,270 Conservation Commission Fund for pay plan.

# DEPARTMENT OF CORRECTIONS

## FINANCIAL SUMMARY

|  | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | FY 2008<br>REQUEST | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|--|------------------------|--------------------------|--------------------|-----------------------------------|
| Office of the Director                       | \$ 72,148,534          | \$ 117,589,354           | \$ 86,260,264      | \$ 81,533,123                     |
| Facility Services                            | 0                      | 15,709                   | 0                  | 0                                 |
| Information Technology                       | 6,423,913              | 0                        | 0                  | 0                                 |
| Division of Human Services                   | 10,854,059             | 11,890,990               | 12,326,185         | 11,789,463                        |
| Division of Adult Institutions               | 243,617,769            | 270,593,242              | 280,551,068        | 270,917,546                       |
| Division of Offender Rehabilitative Services | 133,144,331            | 159,633,347              | 172,704,188        | 162,254,807                       |
| Board of Probation and Parole                | 71,953,098             | 78,624,578               | 85,513,966         | 87,211,599                        |
| DEPARTMENTAL TOTAL                           | \$ 538,141,704         | \$ 638,347,220           | \$ 637,355,671     | \$ 613,706,538                    |
| General Revenue Fund                         | 506,016,408            | 586,127,292              | 582,836,642        | 558,841,884                       |
| Federal Funds                                | 4,479,859              | 8,587,041                | 7,384,759          | 7,468,169                         |
| Working Capital Revolving Fund               | 23,830,777             | 36,406,666               | 34,624,709         | 34,854,697                        |
| Inmate Revolving Fund                        | 3,765,501              | 6,961,621                | 12,244,961         | 12,277,188                        |
| Correctional Substance Abuse Earnings Fund   | 49,159                 | 264,600                  | 264,600            | 264,600                           |
| Full-time equivalent employees               | 11,357.57              | 11,270.23                | 11,087.23          | 11,082.23                         |

## DEPARTMENT SUMMARY

Governor Blunt's Fiscal Year 2008 budget provides a total of \$613.7 million for the Department of Corrections. The department provides secure facilities for segregating criminals and promotes a safe reintegration of former offenders into lawful society. The core functions provided by the Department of Corrections promote the safety of Missourians through:

- Confinement of offenders who require incarceration.
- Rehabilitation of both incarcerated and community-supervised offenders.
- Supervision of offenders who have served their terms and are being reintroduced back into society.
- Supervision of offenders who have been assigned probation in the community.

**DEPARTMENT OF CORRECTIONS  
OFFICE OF THE DIRECTOR**

**FINANCIAL SUMMARY**

|  | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|--|------------------------|--------------------------|-----------------------------------|
| Office of the Director (Staff)               | \$ 2,602,206           | \$ 2,960,136             | \$ 3,639,501                      |
| Federal Programs                             | 4,027,845              | 8,137,039                | 7,018,168                         |
| Fuel and Utilities                           | 27,621,663             | 28,345,946               | 0                                 |
| Fuel and Utilities/Board of Public Buildings | 4,047,622              | 4,561,609                | 0                                 |
| Restitution Payments                         | 0                      | 109,500                  | 109,500                           |
| Food Purchases                               | 21,997,361             | 25,125,819               | 25,125,819                        |
| Public School Retirement                     | 0                      | 1                        | 1                                 |
| Population Growth Pool                       | 8,689,110              | 5,792,866                | 3,340,096                         |
| Information Systems                          | 170,912                | 0                        | 0                                 |
| Telecommunications                           | 2,991,815              | 2,495,822                | 2,239,422                         |
| Costs in Criminal Cases                      | 0                      | 40,060,616               | 40,060,616                        |
| <b>TOTAL</b>                                 | <b>\$ 72,148,534</b>   | <b>\$ 117,589,354</b>    | <b>\$ 81,533,123</b>              |
| General Revenue Fund                         | 66,179,780             | 106,842,391              | 74,064,955                        |
| Federal Funds                                | 4,477,503              | 8,587,039                | 7,468,168                         |
| Working Capital Revolving Fund               | 1,491,251              | 1,744,061                | 0                                 |
| Inmate Revolving Fund                        | 0                      | 415,863                  | 0                                 |
| <b>Full-time equivalent employees</b>        | <b>246.14</b>          | <b>150.24</b>            | <b>169.24</b>                     |

The director of the Department of Corrections provides guidance, coordination, and control of the four departmental divisions: Human Services, Adult Institutions, Offender Rehabilitative Services, and the Board of Probation and Parole. The Office of the Director consists of the Director's Office, the Deputy Director's Office, Public Information, Office of Constituent Services, and Legal Services.

**Fiscal Year 2008 Governor's Recommendations**

- \$577,440 and 20 staff reallocated from the Division of Adult Institutions.
- \$200,000 federal funds for education transferred from the Office of Administration.
- \$280,436 for pay plan, including \$197,026 general revenue.
- (\$32,907,555) transferred to the Office of Administration for statewide consolidation of fuel and utility purchases and facility related contracts, including (\$31,419,894) general revenue.
- (\$2,144,149) core reduction from the Fiscal Year 2007 appropriation level, including (\$485,468) general revenue.
- (\$1,055,674) reallocated to the Division of Offender Rehabilitative Services.
- (\$415,863) Inmate Revolving Fund reallocated to the Division of Probation and Parole.
- (\$590,341) reallocated to the Division of Adult Institutions.
- (\$525) transferred to the Office of Administration for statewide consolidation of information technology services.
- (One) staff reallocated to the Division of Human Services.

**FACILITY SERVICES**

Responsibility for management of facility related services has been transferred to the Office of Administration. The Facilities Management, Design and Construction Division will be the central point for these services.

**Fiscal Year 2008 Governor's Recommendations**

- (\$15,709) transferred to the Office of Administration for statewide consolidation of fuel and utility purchases and facility related contracts.

## **DEPARTMENT OF CORRECTIONS**

### **DIVISION OF HUMAN SERVICES**

The Division of Human Services consists of Training, Employee Health and Safety, Human Resources, Budget and Research, Fiscal Management, General Services, Strategic Planning, and Religious and Spiritual programs. Training is responsible for training new staff and upgrading training for present staff. Employee Health and Safety consists of activities involving infectious disease control, wellness programs, and other items that relate to employee morale and well-being. Human Resources coordinates hiring, promotions, and discipline in all four divisions to ensure that professional and equitable treatment is available to all employees. Budget and Research ensures that long- and short-term budgetary and strategic planning needs are identified and addressed. Fiscal Management carries out the department's day-to-day financial operations. General Services coordinates food and construction services. Chaplains and volunteers are supervised by Religious and Spiritual programs. Department-wide appropriations centralized at this level include fuel and utilities, food, security staff compensatory time, the institutional expense and equipment pool, and federal programs.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$262,268 for pay plan, including \$253,184 general revenue.
- \$52,158 reallocated from the Division of Adult Institutions.
- \$48,000 transferred from the Office of State Courts Administrator.
- \$47,348 transferred from fringe benefits to pay for fringe costs associated with the mailroom consolidation.
- One staff reallocated from the Office of the Director.
- (\$503,729) and (14) staff transferred to the Office of Administration for statewide consolidation of fuel and utility purchases and facility related contracts, including (\$473,321) general revenue.
- (\$7,572) transferred to the Office of Administration for statewide consolidation of information technology services.
- (Two) staff core reduction for mailroom consolidation from the Fiscal Year 2007 appropriation level.



**DEPARTMENT OF CORRECTIONS  
DIVISION OF ADULT INSTITUTIONS**

**FINANCIAL SUMMARY**

|   | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|---|------------------------|--------------------------|-----------------------------------|
| Central Office  | \$ 1,439,430           | \$ 1,593,037             | \$ 1,635,474                      |
| Overtime  | 8,050,268              | 9,308,729                | 9,578,835                         |
| Wage and Discharge Costs  | 3,669,121              | 3,968,244                | 3,978,702                         |
| Institutional E&E Pool  | 18,051,865             | 19,140,033               | 18,659,598                        |
| Jefferson City Correctional Center                              | 16,422,787             | 15,566,596               | 15,705,838                        |
| Central Missouri Correctional Center                            | 586,647                | 1,180,211                | 564,831                           |
| Women's Eastern Reception and Diagnostic<br>Correctional Center | 10,361,532             | 13,462,208               | 13,504,079                        |
| Ozark Correctional Center                                       | 4,457,066              | 4,946,252                | 4,902,959                         |
| Moberly Correctional Center                                     | 11,004,041             | 11,994,647               | 12,030,676                        |
| Algoa Correctional Center                                       | 9,171,955              | 9,633,850                | 9,566,470                         |
| Missouri Eastern Correctional Center                            | 6,990,147              | 9,363,209                | 9,546,037                         |
| Chillicothe Correctional Center                                 | 4,342,312              | 5,520,648                | 5,622,827                         |
| Boonville Correctional Center                                   | 8,266,817              | 9,099,826                | 9,149,724                         |
| Farmington Correctional Center                                  | 15,621,675             | 17,654,607               | 18,187,198                        |
| Farmington Correctional Center/<br>Board of Public Buildings    | 1,283,083              | 1,345,110                | 835,826                           |
| Western Missouri Correctional Center                            | 13,016,950             | 14,937,001               | 14,965,589                        |
| Potosi Correctional Center                                      | 9,148,398              | 10,709,219               | 10,535,644                        |
| Fulton Reception and Diagnostic Correctional Center             | 9,453,627              | 11,736,353               | 11,989,070                        |
| FRDCC/Board of Public Buildings                                 | 535,003                | 688,521                  | 617,918                           |
| Tipton Correctional Center                                      | 9,475,076              | 9,477,453                | 9,374,643                         |
| Western Reception and Diagnostic Correctional Center            | 14,317,350             | 15,044,710               | 15,392,727                        |
| Maryville Treatment Center                                      | 5,523,217              | 5,525,993                | 5,446,977                         |
| Crossroads Correctional Center                                  | 9,991,040              | 11,100,680               | 11,247,084                        |
| Northeast Correctional Center                                   | 13,313,936             | 15,192,744               | 15,271,496                        |
| Eastern Reception and Diagnostic Correctional Center            | 17,899,432             | 18,841,731               | 18,848,102                        |
| South Central Correctional Center                               | 10,902,589             | 11,917,588               | 11,961,035                        |
| Southeast Missouri Correctional Center                          | 10,322,405             | 11,644,042               | 11,798,187                        |
| <b>TOTAL</b>  | <b>\$ 243,617,769</b>  | <b>\$ 270,593,242</b>    | <b>\$ 270,917,546</b>             |
| General Revenue Fund  | 242,869,605            | 270,142,529              | 270,453,313                       |
| Federal Funds   | 0                      | 1                        | 0                                 |
| Working Capital Revolving Fund                                  | 377,551                | 1                        | 1                                 |
| Inmate Revolving Fund   | 370,613                | 450,711                  | 464,232                           |
| <b>Full-time equivalent employees</b>                           | <b>8,254.57</b>        | <b>8,102.80</b>          | <b>7,920.80</b>                   |

The Division of Adult Institutions' mission is to safely and humanely house criminal offenders within 21 adult correctional institutions statewide. The Division carries out this mission in a secure manner for offenders, staff, and citizens via the daily monitoring of the inmate population; the implementation and oversight of the inmate classification process; and the transportation and re-incarceration of parole violators.

**Fiscal Year 2008 Governor's Recommendations**

- \$2,053,260 for the purchase of new uniforms for corrections officers.
- \$7,226,234 for pay plan, including \$7,212,713 general revenue.
- \$590,341 reallocated from the Office of the Director.
- \$143,553 and four staff reallocated from the Division of Offender Rehabilitative Services.
- (\$8,481,419) and (163) staff transferred to the Office of Administration for statewide consolidation of fuel and utility purchases and facility related contracts.
- (\$577,440) and (20) staff reallocated to the Office of the Director.
- (\$495,212) and (two) staff core reduction from the Fiscal Year 2007 appropriation level, including (\$495,211) general revenue.
- (\$57,584) and (one) staff reallocated to the Division of Offender Rehabilitative Services.
- (\$52,158) reallocated to the Division of Human Services.
- (\$25,271) transferred to the Office of Administration for statewide consolidation of information technology services.

# DEPARTMENT OF CORRECTIONS

## DIVISION OF ADULT INSTITUTIONS (Continued)

### Missouri Prison Population for the Month Ended December 2006

| <u>Male Institutional</u>                                      | <u>Capacity</u> | <u>Beds Off Line</u> | <u>Population</u> | <u>Vacancies</u> |
|--|-----------------|----------------------|-------------------|------------------|
| Algoa Correctional Center                                      | 1,565           | 28                   | 1,536             | 1                |
| Boonville Correctional Center                                  | 1,256           | 0                    | 1,221             | 35               |
| Crossroads Correctional Center (Cameron)                       | 1,450           | 0                    | 1,441             | 9                |
| Eastern Reception/Diagnostic Correctional Center (Bonne Terre) | 2,684           | 0                    | 2,579             | 105              |
| Farmington Correctional Center                                 | 2,257           | 0                    | 2,254             | 3                |
| Fulton Reception and Diagnostic Center                         | 1,302           | 0                    | 1,313             | (11)             |
| Jefferson City Correctional Center                             | 1,973           | 0                    | 1,973             | 0                |
| Kansas City Community Release Center                           | 300             | 0                    | 256               | 44               |
| Maryville Treatment (General Population)                       | 336             | 0                    | 186               | 150              |
| Missouri Eastern Correctional Center (Pacific)                 | 1,140           | 40                   | 1,099             | 1                |
| Moberly Correctional Center                                    | 1,800           | 0                    | 1,796             | 4                |
| Northeast Correctional Center (Bowling Green)                  | 1,935           | 0                    | 1,923             | 12               |
| Ozark Correctional Center (Fordland)                           | 650             | 0                    | 641               | 9                |
| Potosi Correctional Center                                     | 862             | 0                    | 859               | 3                |
| South Central Correctional Center (Licking)                    | 1,642           | 0                    | 1,590             | 52               |
| Southeast Missouri Correctional Center (Charleston)            | 1,642           | 0                    | 1,529             | 113              |
| St. Louis Community Release Center                             | 500             | 0                    | 423               | 77               |
| Tipton Correctional Center                                     | 1,216           | 24                   | 1,145             | 47               |
| Western Missouri Correctional Center (Cameron)                 | 2,125           | 200                  | 1,924             | 1                |
| Western Reception/Diagnostic Correctional Center (St. Joseph)  | 1,324           | 60                   | 1,321             | (57)             |
| <b>Male Institutional Total</b>                                | <b>27,959</b>   | <b>352</b>           | <b>27,009</b>     | <b>598</b>       |
| <u>Male Treatment</u>  |                 |                      |                   |                  |
| Biggs Unit (Fulton)  | 0               | 0                    | 0                 | 0                |
| Boonville Treatment Center                                     | 60              | 0                    | 52                | 8                |
| Cremer (Fulton)  | 180             | 0                    | 168               | 12               |
| Farmington Treatment Center                                    | 275             | 0                    | 274               | 1                |
| Maryville Treatment Center                                     | 225             | 0                    | 90                | 135              |
| Mineral Area Treatment Center                                  | 100             | 0                    | 95                | 5                |
| Jefferson City Correctional Center                             | 0               | 0                    | 0                 | 0                |
| Western Regional Treatment Center                              | 650             | 0                    | 614               | 36               |
| <b>Male Treatment Total</b>                                    | <b>1,490</b>    | <b>0</b>             | <b>1,293</b>      | <b>197</b>       |
| <b>TOTAL MALE POPULATION</b>                                   | <b>29,449</b>   | <b>352</b>           | <b>28,302</b>     | <b>795</b>       |
| <u>Female</u>  |                 |                      |                   |                  |
| Biggs Unit (Fulton)  | 0               | 0                    | 0                 | 0                |
| Chillicothe Correctional Center                                | 525             | 0                    | 518               | 7                |
| Kansas City Community Release Center                           | 50              | 0                    | 37                | 13               |
| St. Louis Community Release Center                             | 50              | 0                    | 28                | 22               |
| Women's Eastern Reception and Diagnostic Correctional Center   | 1,975           | 0                    | 2,067             | (92)             |
| <b>TOTAL FEMALE POPULATION</b>                                 | <b>2,600</b>    | <b>0</b>             | <b>2,650</b>      | <b>(50)</b>      |
| <b>TOTAL POPULATION</b>  | <b>32,049</b>   | <b>352</b>           | <b>30,952</b>     | <b>745</b>       |

**DEPARTMENT OF CORRECTIONS  
DIVISION OF OFFENDER REHABILITATIVE SERVICES**

**FINANCIAL SUMMARY**

|  | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|--|------------------------|--------------------------|-----------------------------------|
| Central Office                             | \$ 1,775,393           | \$ 1,981,466             | \$ 2,012,819                      |
| Medical Services                           | 91,223,455             | 102,279,362              | 102,279,362                       |
| Medical Equipment                          | 165,467                | 239,523                  | 239,523                           |
| Substance Abuse Services                   | 5,861,543              | 6,509,918                | 8,638,295                         |
| Drug Testing-Toxicology                    | 869,305                | 886,331                  | 886,331                           |
| Education Services                         | 11,108,939             | 12,041,047               | 12,310,685                        |
| Vocational Enterprises                     | 21,871,080             | 33,349,842               | 33,541,934                        |
| Prison Industry Enhancement                | 0                      | 962,762                  | 962,762                           |
| Re-Entry                                   | 269,149                | 383,096                  | 383,096                           |
| Re-Entry Pilot St. Louis                   | 0                      | 1,000,000                | 1,000,000                         |
| <b>TOTAL</b>                               | <b>\$ 133,144,331</b>  | <b>\$ 159,633,347</b>    | <b>\$ 162,254,807</b>             |
| General Revenue Fund                       | 111,224,092            | 124,706,142              | 127,135,510                       |
| Federal Funds                              | 0                      | 1                        | 1                                 |
| Working Capital Revolving Fund             | 21,871,080             | 34,662,604               | 34,854,696                        |
| Correctional Substance Abuse Earnings Fund | 49,159                 | 264,600                  | 264,600                           |
| <b>Full-time equivalent employees</b>      | <b>600.13</b>          | <b>655.15</b>            | <b>651.15</b>                     |

The Division of Offender Rehabilitative Services is responsible for providing rehabilitative, educational, and treatment programs to offenders. These programs include: reception and diagnostic center assessment; adult education; library services; substance abuse treatment; inmate physical and mental health care; sexual offender assessment and treatment; and work-based education including involvement with Missouri Vocational Enterprises. Through the utilization of these programs, the Division of Offender Rehabilitative Services seeks to improve the offender's ability to successfully comply with society's expectations and thus reduce significantly the rate of offender recidivism.

**Fiscal Year 2008 Governor's Recommendations**

- \$800,000 for the contracting of 300 long-term drug treatment beds at the Maryville Treatment Center.
- \$227,347 to maintain current drug treatment capacity at the Ozark Correctional Center.
- \$663,055 for pay plan, including \$433,067 general revenue.
- \$1,055,674 and one staff reallocated from the Office of the Director.
- \$57,584 and one staff reallocated from the Division of Adult Institutions.
- (\$143,553) and (five) staff reallocated to the Division of Adult Institutions.
- (\$37,896) and (one) staff Working Capital Revolving Fund transferred to the Office of Administration for statewide consolidation of fuel and utility purchases and facility related contracts.
- (\$751) transferred to the Office of Administration for statewide consolidation of information technology services.

**DEPARTMENT OF CORRECTIONS  
BOARD OF PROBATION AND PAROLE**

**FINANCIAL SUMMARY**

|                                      | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|--------------------------------------|------------------------|--------------------------|-----------------------------------|
| Probation and Parole Staff           | \$ 59,882,314          | \$ 62,643,418            | \$ 67,426,143                     |
| St. Louis Community Release Center   | 3,494,445              | 4,037,840                | 4,085,323                         |
| Kansas City Community Release Center | 2,076,633              | 2,469,735                | 2,405,528                         |
| Community Supervision Centers        | 1,507,319              | 3,491,818                | 4,476,820                         |
| Community-Based Corrections Programs | 4,992,387              | 5,981,767                | 8,817,785                         |
| <b>TOTAL</b>                         | <b>\$ 71,953,098</b>   | <b>\$ 78,624,578</b>     | <b>\$ 87,211,599</b>              |
| General Revenue Fund                 | 68,811,259             | 72,925,818               | 75,773,606                        |
| Inmate Revolving Fund                | 3,141,839              | 5,698,760                | 11,437,993                        |
| Full-time equivalent employees       | 1,987.53               | 2,084.88                 | 2,078.88                          |

The Board of Probation and Parole provides a full range of supervision strategies to manage offenders who are on probation and parole. These strategies combine appropriate structure, control, treatment, and intervention to address the risk and needs of offenders in the community. In addition to supervision of offenders, staff provides assessments and investigations for the courts, parole board, and other states. These assessments and investigations assist the judges and parole board in making informed and appropriate decisions on cases before them. Through professional assessment and supervision, the board is able to identify and deliver a continuum of necessary services to address a complex offender population. The board also manages a range of alternatives, including community sentencing, the house arrest program, intensive supervision, and halfway houses.

**Fiscal Year 2008 Governor's Recommendations**

- \$2,067,809 for Community Supervision Centers.
- \$1,840,556 Inmate Revolving Fund for community residential supervision.
- \$1,500,000 Inmate Revolving Fund for increased collection authority.
- \$816,000 Inmate Revolving Fund for offender supervision fees.
- \$485,468 Inmate Revolving Fund for electronic monitoring.
- \$306,374 Inmate Revolving Fund for offender re-entry.
- \$240,000 Inmate Revolving Fund for victim impact education.
- \$160,600 for sex offender polygraph testing.
- \$125,350 Inmate Revolving Fund for community-based mental health services.
- \$1,997,201 for pay plan, including \$1,987,579 general revenue.
- \$415,863 Inmate Revolving Fund reallocated from the Office of the Director.
- (\$805,900) core reduction from the Fiscal Year 2007 appropriation level.
- (\$290,165) and (six) staff transferred to the Office of Administration for statewide consolidation of fuel and utility purchases and facility related contracts.
- (\$137,813) transferred to the Department of Mental Health.
- (\$134,322) transferred to the Office of Administration for statewide consolidation of information technology services.

# DEPARTMENT OF ECONOMIC DEVELOPMENT

## FINANCIAL SUMMARY

|                                 | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | FY 2008<br>REQUEST | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|---------------------------------|------------------------|--------------------------|--------------------|-----------------------------------|
| Business and Community Services | \$ 56,606,373          | \$ 91,498,809            | \$ 148,765,669     | \$ 145,344,098                    |
| IT Consolidation                | 3,572,716              | 0                        | 0                  | 0                                 |
| Workforce Development           | 101,568,302            | 123,355,449              | 133,308,089        | 133,920,302                       |
| Division of Tourism             | 13,819,242             | 17,782,811               | 18,782,811         | 20,674,810                        |
| Affordable Housing              | 5,321,510              | 4,924,829                | 4,948,995          | 4,958,650                         |
| Utility Regulation              | 14,163,069             | 18,061,350               | 18,188,882         | 18,499,584                        |
| Administrative Services         | 4,294,586              | 5,491,967                | 3,259,584          | 3,381,631                         |
| DEPARTMENTAL TOTAL              | \$ 199,345,798         | \$ 261,115,215 *         | \$ 327,254,030     | \$ 326,779,075                    |
| General Revenue Fund            | 34,752,844             | 43,885,380               | 61,644,708         | 62,782,990                        |
| Federal Funds                   | 133,858,300            | 158,714,384              | 168,666,860        | 169,435,600                       |
| Other Funds                     | 30,734,654             | 58,515,451               | 96,942,462         | 94,560,485                        |
| Full-time equivalent employees  | 967.08                 | 1,000.22                 | 988.87             | 983.87                            |

\* Does not include \$983,324 recommended in the Fiscal Year 2007 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Department of Economic Development supplemental appropriations.

## DEPARTMENT SUMMARY

Governor Blunt's Fiscal Year 2008 budget provides a total of \$326.8 million for the Department of Economic Development. The Department provides services to Missourians and businesses to facilitate economic success. Core functions provided by the Department of Economic Development include:

- Facilitating location options, expansion, retention, or start-up of businesses to help create and retain high-quality employment opportunities for Missourians.
- Administering tax credit programs designed to assist with business recruitment and workforce training.
- Oversight and regulation of public utility companies to ensure Missourians receive reliable and safe services.

**DEPARTMENT OF ECONOMIC DEVELOPMENT  
BUSINESS AND COMMUNITY SERVICES**

**FINANCIAL SUMMARY**

|   | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|---|------------------------|--------------------------|-----------------------------------|
| Missouri Economic Research and Information Center | \$ 0                   | \$ 0                     | \$ 2,096,490                      |
| Marketing   | 3,000                  | 4,233,735                | 4,926,000                         |
| Sales   | 0                      | 1,988,344                | 2,176,080                         |
| Finance   | 0                      | 1,128,997                | 1,236,115                         |
| Compliance  | 0                      | 733,107                  | 847,889                           |
| Community Development and Block Grant Program     | 0                      | 28,000,000               | 28,000,000                        |
| Missouri Technology Investment                    | 5,726,068              | 8,105,036                | 8,430,036                         |
| Jobs Retention Training Program                   | 2,882,995              | 10,000,000               | 10,000,000                        |
| Missouri Community College New Jobs Training      | 5,587,983              | 16,000,000               | 16,000,000                        |
| Missouri Job Development Fund - Transfer          | 7,356,421              | 7,583,939                | 11,083,939                        |
| Community Redevelopment and Assistance            | 33,351,606             | 7,661,595                | 12,675,202                        |
| Arts and Cultural Development                     | 1,698,300              | 6,064,056                | 12,122,347                        |
| Life Sciences Research                            | 0                      | 0                        | 35,750,000                        |
| <b>TOTAL</b>                                      | <b>\$ 56,606,373</b>   | <b>\$ 91,498,809</b>     | <b>\$ 145,344,098</b>             |
| General Revenue Fund                              | 16,726,080             | 22,495,464               | 38,557,958                        |
| Federal Funds                                     | 31,018,632             | 35,260,419               | 37,221,576                        |
| Other Funds                                       | 8,861,661              | 33,742,926               | 69,564,564                        |
| <b>Full-time equivalent employees</b>             | <b>83.86</b>           | <b>107.95</b>            | <b>151.84</b>                     |

**BUSINESS AND COMMUNITY SERVICES**

The Business and Community Services Division consists of the Marketing, Sales, Finance, and Compliance Teams. The division promotes Missouri as a great place to do business and helps create an environment that will stimulate family supporting jobs and new private investment. Other services include various programs aimed at investing in Missouri's communities to allow for future sustainable growth and to increase opportunities for new local and state revenues.

**MISSOURI ECONOMIC RESEARCH AND INFORMATION CENTER (MERIC)**

MERIC is the research division for the Missouri Department of Economic Development. This section provides innovative analyses and assistance to policymakers and the public, including studies of the state's targeted industries and economic development initiatives. Other MERIC research includes Economic Condition Reports, Economic Impact Assessments, and Labor Market Information produced in cooperation with the U.S. Department of Labor.

**Fiscal Year 2008 Governor's Recommendations**

- \$2,045,732 and 43.89 staff reallocated from Business and Community Services, including \$166,156 general revenue to establish MERIC as a separate unit.
- \$50,758 for pay plan, including \$4,104 general revenue.

**MARKETING**

The Marketing Team produces print and media materials to market the state. The team markets Missouri at the national and international level to increase lead opportunities and generally support the Sales and Finance teams.

**Fiscal Year 2008 Governor's Recommendations**

- \$677,000 to realign the core budget.
- \$15,265 for pay plan, including \$9,992 general revenue.

## **DEPARTMENT OF ECONOMIC DEVELOPMENT**

### **BUSINESS AND COMMUNITY SERVICES (Continued)**

#### **SALES**

The Sales Team provides individualized customer service, through regional and industry specialization, to businesses considering locating or expanding within the state. Sales Team staff work to develop export promotion opportunities for Missouri businesses to take their products and services to key world markets.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$199,000 to realign the core budget.
- \$45,087 for pay plan, including \$27,079 general revenue.
- (\$56,351) other funds and (one) staff reallocated to the Compliance Team.

#### **FINANCE**

The Finance Team administers the tax incentive programs offered by the department.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$81,000 to realign the core budget.
- \$26,118 for pay plan, including \$16,917 general revenue.

#### **COMPLIANCE**

The Compliance Team assures accountability for each program by assessing the operations. The team conducts file reviews, on-site monitoring, eligibility determinations, and assures necessary claw-backs are pursued. The Compliance Team works proactively with the Finance Team to assure compliance standards are met for all programs.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$43,000 to realign the core budget.
- \$15,431 for pay plan, including \$4,958 general revenue.
- \$56,351 other funds and one staff reallocated from the Sales Team.

#### **COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

The Community Development Block Grant program provides grants to non-entitlement cities and counties for community development activities that: (1) benefit at least 51 percent low and moderate income persons, (2) eliminate slum and blight, or (3) meet urgent threats to health and safety. Typical projects include infrastructure expansion, downtown revitalization, housing rehabilitation, housing financing, Americans with Disabilities Act accessibility improvements, and community facility projects.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

## **DEPARTMENT OF ECONOMIC DEVELOPMENT**

### **BUSINESS AND COMMUNITY SERVICES (Continued)**

#### **MISSOURI TECHNOLOGY INVESTMENT**

The Missouri Technology Investment Fund supports business modernization, technology application, technology commercialization, and technology development. The following programs are supported by the Missouri Technology Investment Fund.

Missouri Manufacturing Extension Partnership – The partnership provides business and technical assistance to the state's small and medium size manufacturers. The assistance enables the manufacturers to become and remain competitive by retaining existing jobs and creating new jobs. The Missouri Manufacturing Extension Partnership is a public-private partnership including the U.S. Department of Commerce's National Institute of Standards and Technology and the University of Missouri System.

Innovation Centers – Innovation centers offer a wide range of management and technical assistance to technology-based businesses. Clients become a part of a network of state, federal, university, and private resources designed to develop and support high-growth businesses. Currently, centers are located in St. Louis, Rolla, Columbia, Cape Girardeau, and Joplin.

Missouri Technology Corporation – The corporation promotes the modernization of business through the transfer of science, technology, and quality improvement methods to the workplace; and enhances the productivity and competitiveness of Missouri's businesses by providing leadership and establishing methods of technology application, commercialization, and development.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$200,000 to promote access to new technologies for Missouri businesses and citizens through the Missouri Technology Corporation and the Research Alliance of Missouri.
- \$125,000 to support operations of new and existing innovation centers.

#### **JOBS RETENTION TRAINING PROGRAM**

Created by Sections 178.760-178.764, RSMo, the Jobs Retention Training Program provides an incentive for the retention of existing jobs by providing education and training to workers for expanding industries by community college districts.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

#### **MISSOURI COMMUNITY COLLEGE NEW JOBS TRAINING**

Created by Sections 178.892-178.896, RSMo, the Missouri Community College New Jobs Training Program provides an incentive for the creation of new jobs by providing education and training of workers for new or expanding industries by community college districts.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

#### **MISSOURI JOB DEVELOPMENT FUND**

The Missouri Job Development Fund helps new and expanding businesses train Missouri's workforce.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$3,500,000 to provide additional job training funds.



## **DEPARTMENT OF ECONOMIC DEVELOPMENT**

### **BUSINESS AND COMMUNITY SERVICES (Continued)**

#### **COMMUNITY REDEVELOPMENT AND ASSISTANCE**

Community Redevelopment and Assistance consists of the Missouri Community Service Commission, Missouri Small Business Regulatory Fairness Board, Missouri Military Preparedness and Enhancement Commission, Missouri Development Finance Board, and Missouri Main Street Program. These programs promote volunteerism and community services, monitor the impact of state regulations on small business, design and implement measures to retain and protect military posts or bases in Missouri, and administer a range of financing programs through revenue bonds, notes, and tax credits.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$4,996,128 for current tax increment financing projects.
- \$6,000 for increased dues to the Delta Regional Authority.
- \$5,000 to expand the Missouri Main Street Program.
- \$6,480 for pay plan, including \$1,160 general revenue.
- (\$1) State Supplemental Downtown Development Fund core reduction from the Fiscal Year 2007 appropriation level.

#### **ARTS AND CULTURAL DEVELOPMENT**

Missouri Arts Council - The Missouri Arts Council provides financial assistance to non-profit organizations through grants that encourage growth, development, and appreciation of the arts in Missouri. Program assistance is provided in specific arts discipline areas including dance, electronic media arts, festivals, literature, music, theatre, visual arts, arts services, community arts, folk arts, minority arts, touring, mini-grants, and arts education. Program assistance awards provide seed money on a matching basis to not-for-profit applicants throughout Missouri.

Missouri Humanities Council - The Missouri Humanities Council is the state affiliate of the National Endowment for the Humanities. The Missouri Humanities Council's mission is to help citizens of Missouri learn about the history, literature, and the ideas that shape democracy. Programs help communities understand and celebrate a shared history and assist local institutions in developing the capacity to engage the public in lifelong learning activities. The Missouri Humanities Council also provides on-site consulting and workshops to help local museums and cultural institutions organize ideas.

Public Television and Public Radio - Funds are distributed to Missouri public television and radio stations for operating assistance pursuant to Section 143.183, RSMo.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$4,500,000 transferred to the Missouri Arts Council Trust Fund pursuant to Section 143.183, RSMo.
- \$750,000 transferred to the Missouri Humanities Council Trust Fund pursuant to Section 143.183, RSMo.
- \$750,000 transferred to the Missouri Public Television Broadcasting Fund pursuant to Section 143.183, RSMo.
- \$50,000 Missouri Humanities Council Trust Fund for additional programs.
- \$8,291 federal funds for pay plan.

#### **LIFE SCIENCES RESEARCH**

The mission of the Life Sciences Research Board is to enhance the capacity of the State's ability to perform research to better serve the health and welfare of Missouri residents as a center of life sciences research and development by building on the success of research institutions located in Missouri, attracting new research and development institutions, commercializing the life sciences technologies developed by such institutions, and enhancing their capacity to carry out their respective missions.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$35,750,000 Life Sciences Research Trust Fund to enhance the state's research capacity with a focus on animal health and nutrition as well as plant science.

**DEPARTMENT OF ECONOMIC DEVELOPMENT  
WORKFORCE DEVELOPMENT**

**FINANCIAL SUMMARY**

|  | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|--|------------------------|--------------------------|-----------------------------------|
| Workforce Development Administration       | \$ 19,846,465          | \$ 23,824,213            | \$ 24,387,506                     |
| Workforce Programs                         | 81,444,420             | 99,246,734               | 109,246,734                       |
| Women's Council                            | 61,658                 | 68,502                   | 70,062                            |
| Special Employment Security Fund           | 215,759                | 216,000                  | 216,000                           |
| <b>TOTAL</b>                               | <b>\$ 101,568,302</b>  | <b>\$ 123,355,449</b>    | <b>\$ 133,920,302</b>             |
| General Revenue Fund                       | 2,105,452              | 2,180,563                | 2,180,563                         |
| Federal Funds                              | 98,679,177             | 120,033,783              | 130,593,057                       |
| Child Support Enforcement Collections Fund | 567,914                | 575,103                  | 580,682                           |
| Special Employment Security Fund           | 215,759                | 216,000                  | 216,000                           |
| Guard at Home Fund                         | 0                      | 350,000                  | 350,000                           |
| <b>Full-time equivalent employees</b>      | <b>495.43</b>          | <b>537.72</b>            | <b>537.72</b>                     |

**WORKFORCE DEVELOPMENT**

The Division of Workforce Development provides a well-balanced employment and training system, giving Missourians the opportunity to achieve their full career and employment potential through high-quality programs. Missouri employers also benefit from a more competitive and better-trained workforce. The Job Service (Wagner-Peyser) Program offers a network of services delivered in a customer-focused environment to help people find and retain employment. Services include provision of labor market information, career counseling, testing, and job readiness training. Services also include assisting employers in meeting their employment needs by referring qualified workers for job openings and providing information to help plan for future workforce needs. The Job Service Program is federally funded and administered by the Division of Workforce Development. These funds are targeted toward all Missourians who are changing careers, looking for their first job, unemployed, economically disadvantaged, school dropouts, and dislocated workers.

**WORKFORCE DEVELOPMENT ADMINISTRATION**

Workforce Investment Act funds, along with federal Job Service Program funds, are administered by the Division of Workforce Development. These funds are targeted toward the economically disadvantaged, Temporary Assistance for Needy Families recipients, school dropouts, and dislocated workers.

**Fiscal Year 2008 Governor's Recommendations**

- \$610,653 federal and other funds for pay plan.
- (\$47,360) Job Development and Training Fund transferred to the Office of Administration for statewide consolidation of facility maintenance functions.

**WORKFORCE PROGRAMS**

The mission of the federal Workforce Investment Act Program is to serve Missourians by providing training and employment opportunities; establishing a flexible, coordinated, and decentralized training system; and coordinating these programs with other employment and training-related programs. The employment and training programs offered on a statewide basis include: Workforce Investment Act programs, the Trade Adjustment Assistance Program, North American Free Trade Agreement programs, Rapid Response Worker programs, the Temporary Assistance for Needy Families Program, the Missouri Employment and Training Program, and the Parent's Fair Share Program. Individuals who meet eligibility requirements for the programs may access services to make them more competitive in the workforce. Historically, the Division of Workforce Development, along with local workforce investment areas, have provided a full range of services authorized under the Workforce Investment Act which are designed to prepare individuals with barriers to employment for the workforce. Services include referral to job openings, job readiness skills training, referral to classroom or employer training, as well as payment of support services such as transportation. The Missouri Training and Employment Council provides direction to the Division of Workforce Development on policies and procedures to ensure that local workforce investment area programs comply with Workforce Investment Act financial and program requirements.

**Fiscal Year 2008 Governor's Recommendations**

- \$10,000,000 federal funds for additional workforce development programs.

## **DEPARTMENT OF ECONOMIC DEVELOPMENT**

### **WOMEN'S COUNCIL**

Through its meetings, staff support, and other activities, the Missouri Women's Council addresses the issues of expanding women's opportunities through education and training programs. The council works to increase occupational mobility in lower- and middle-employment levels, provides access to jobs with higher skill and managerial duties, promotes small business opportunities, and provides access to non-traditional skills through apprenticeships and vocational training. The council also prepares an annual state needs assessment to identify problem geographic areas; establishes long- and short-term goal statements; inventories current federal, state, local, and private programs relating to women's economic needs; and prepares plans to address those problem areas.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$1,560 federal funds for pay plan.

### **SPECIAL EMPLOYMENT SECURITY FUND**

The Special Employment Security Fund is derived from interest and penalties collected under the provisions of the Missouri Employment Security Law. Expenditures from this fund are made in accordance with Section 288.310, RSMo, the Employment Security Law.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

## **TOURISM**

The Division of Tourism promotes Missouri's tourist destinations and attractions with multi-media campaigns and direct marketing, a web site, vacation guides, public relations efforts, and a cooperative marketing program. The Division of Tourism also operates six tourism welcome centers located at key entry points near the state's borders. Since Fiscal Year 1995, the division has been funded with a portion of the growth in tax revenues on tourism-oriented goods and services.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$2,891,999 transferred to the Division of Tourism Supplemental Revenue Fund pursuant to Section 620.467, RSMo.

## **AFFORDABLE HOUSING**

Missouri Housing Development Commission – The Missouri Housing Development Commission (MHDC) was established in 1969 to assist with the creation of housing for low- and moderate-income people of Missouri.

The MHDC generates affordable rental housing through a variety of funding sources, including its own fund balances, the state's allocation of federal funds, its authority to issue tax-exempt and taxable bonds, and state and federal housing tax credits. The MHDC offers programs for qualified first-time homebuyers, as well as funds for home repairs to aid in the prevention of homelessness.

Manufactured Housing Program – Staff of the Manufactured Housing Program are responsible for overseeing the annual registration of dealers and manufacturers of manufactured homes and modular units, prescribing and enforcing uniform construction and safety standards by conducting code inspections, addressing consumer complaints, and enforcing set-up and tie-down requirements.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$24,166 Manufactured Housing Fund for two replacement vehicles.
- \$9,655 Manufactured Housing Fund for pay plan.

## DEPARTMENT OF ECONOMIC DEVELOPMENT

### UTILITY REGULATION

Office of Public Counsel – The Office of Public Counsel is the state's consumer advocate involved in matters of utility ratemaking and regulation. Attorneys and technical staff analyze utility rate cases and provide testimony and cross-examination in hearings held before the Public Service Commission (PSC). The Public Counsel also has the right to appeal PSC cases through the court system.

Public Service Commission – The PSC regulates the rates, finances, safety, and quality of service of private, investor-owned telephone, gas, electric, water, and sewer utilities, and the safety of rural electric cooperatives and municipal gas systems. The commission is divided into six sections: executive, adjudication, administration, general counsel, utility operations, and utility services. Additionally, the PSC oversees the administration of the Relay Missouri service in the state. Relay Missouri provides deaf, hard-of-hearing, and speech-impaired citizens access to the telephone network and is funded through a monthly, per-line surcharge.

The Executive Section includes the five commissioners, who are appointed by the Governor with advice and consent of the Senate. The commission's statutory responsibilities include hearing cases and issuing reports and orders. The section also includes an executive director -- the PSC's chief operations officer responsible for the overall administrative functions and the policy direction of the staff, the public information and education department, and the legislative coordinator.

The Adjudication Section is the PSC's quasi-judicial section. A staff of eight regulatory law judges handles the cases from filing to resolution. The judges preside over hearings, rule on objections and motions, and draft all orders, as directed by the commission, for a particular case. The Adjudication Section also contains the commission's data center. This section accepts all pleadings, tariffs, and other case-related documents; issues the certified orders of the commission; and maintains the permanent case files of the commission.

The Administration Section is responsible for managing the commission's fiscal, personnel, and information resources. The consumer services unit receives, investigates, and responds to consumer complaints to ensure compliance with commission rules and regulations and utility company tariffs.

The Office of General Counsel represents the commission and staff in all matters relating to Missouri utility regulation. Its duties consist of assisting and advising agency staff in the preparation and filing of evidence in legal proceedings and preparing and presenting legal arguments in appearances before the commission, state and federal courts, and administrative tribunals.

The Utility Operations Section supports the commission in meeting its statutory responsibilities by providing technical expertise in energy safety, utility rates, tariffs, rules and regulations, economic analysis, engineering oversight and investigations, and construction inspections.

The Utility Services Section supports the commission by providing expertise in the areas of utility accounting, auditing, engineering, finance, management, and natural gas procurement. The section is also responsible for investigating and responding to consumer complaints and making recommendations to the commission regarding their resolution.

### **Fiscal Year 2008 Governor's Recommendations**

- \$79,200 and one staff for an Eminent Domain Ombudsman pursuant to HB 1944 (2006).
- \$48,332 Public Service Commission Fund for four replacement vehicles.
- \$310,702 for pay plan, including \$16,848 general revenue.

## DEPARTMENT OF ECONOMIC DEVELOPMENT

### ADMINISTRATIVE SERVICES

The Administrative Services Division provides direction and guidance to the department. Through policy development, legislative coordination, communications (public information) and research, the efforts of the divisions are aligned toward achieving improved performance for its customers. The division provides centralized support services, including establishment and maintenance of financial systems, personnel functions, and budget and planning. Administrative Services also provides legal assistance, facilities management, and telecommunications services for divisions within the department.

#### Fiscal Year 2008 Governor's Recommendations

- \$62,546 for pay plan, including \$13,225 general revenue.
- \$59,501 federal and other funds transferred from fringe benefits to pay for fringe costs associated with mailroom consolidation.
- (\$2,045,732) and (43.89) staff reallocated to the Missouri Economic Research Information Center, including (\$166,156) general revenue.
- (\$186,487) Department of Economic Development Administrative Fund and (five) staff transferred to the Department of Insurance, Financial Institutions and Professional Registration pursuant to Executive Order 6-04.
- (\$164) Department of Economic Development Administrative Fund transferred to the Office of Administration for statewide consolidation of facility maintenance functions.
- (7.35) staff core reduction from the Fiscal Year 2007 appropriation level.
- (Five) staff core reduction for mailroom consolidation from the Fiscal Year 2007 appropriation level.

# DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION

## FINANCIAL SUMMARY

|   | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | FY 2008<br>REQUEST | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|---|------------------------|--------------------------|--------------------|-----------------------------------|
| General Administration                      | \$ 307,284,656         | \$ 230,195,121           | \$ 241,751,347     | \$ 241,867,423                    |
| Information Technology                      | 2,435,165              | 0                        | 0                  | 0                                 |
| Facility Services                           | 0                      | 1,390,201                | 0                  | 0                                 |
| Public School Aid                           | 3,610,602,309          | 3,874,029,809            | 4,104,979,403      | 4,039,610,231                     |
| School Improvement/Teacher                  |                        |                          |                    |                                   |
| Quality and Urban Education                 | 350,136,861            | 381,224,445              | 405,991,955        | 388,019,344                       |
| Vocational Rehabilitation                   | 84,187,935             | 102,306,358              | 102,405,190        | 102,255,243                       |
| Vocational and Adult Education              | 66,143,575             | 75,303,734               | 91,139,412         | 76,390,932                        |
| Special Education                           | 282,707,699            | 296,924,329              | 308,072,810        | 308,024,883                       |
| Board Operated Schools Operations           | 47,183,607             | 50,458,545               | 49,128,750         | 50,047,299                        |
| Commission for the Deaf and Hard of Hearing | 350,529                | 431,277                  | 491,893            | 460,414                           |
| Assistive Technology Council                | 0                      | 4,256,965                | 4,256,965          | 4,270,861                         |
| Children's Services Commission              | 0                      | 10,000                   | 10,000             | 10,000                            |
| DEPARTMENTAL TOTAL                          | \$ 4,751,032,336       | \$ 5,016,530,784 *       | \$ 5,308,227,725   | \$ 5,210,956,630                  |
| General Revenue Fund **                     | 206,442,266            | 128,655,162              | 158,621,510        | 126,654,217                       |
| Federal Funds                               | 851,869,621            | 939,524,896              | 955,425,787        | 956,462,095                       |
| School District Bond Fund                   | 495,927                | 592,000                  | 592,000            | 592,000                           |
| Certification of Interpreters Fund          | 107,267                | 117,000                  | 117,000            | 117,000                           |
| Independent Living Center Fund              | 548,056                | 390,556                  | 390,556            | 390,556                           |
| Outstanding Schools Trust Fund ***          | 435,800,000            | 491,400,000              | 587,317,690        | 587,317,690                       |
| Bingo Proceeds for Education Fund           | 1,707,167              | 1,707,167                | 1,707,167          | 1,707,167                         |
| Lottery Proceeds Fund                       | 156,394,747            | 150,690,483              | 164,570,591        | 164,583,347                       |
| First Steps Fund                            |                        |                          |                    |                                   |
| Deaf Relay Ser & Eq Dist Program Fund       | 0                      | 2,158,266                | 2,158,266          | 2,164,366                         |
| Children's Service Commission Fund          | 0                      | 10,000                   | 10,000             | 10,000                            |
| State School Moneys Fund ****               | 2,305,768,228          | 2,207,504,224            | 2,328,459,451      | 2,235,190,280                     |
| Handicapped Children's Trust Fund           | 0                      | 30,000                   | 30,000             | 30,000                            |
| Excellence in Education Fund                | 2,770,265              | 2,939,102                | 2,939,102          | 2,946,974                         |
| Fair Share Fund *****                       | 23,565,819             | 0                        | 0                  | 0                                 |
| School District Trust Fund *****            | 749,274,705            | 770,300,000              | 770,300,001        | 798,200,000                       |
| Missouri Commission for the Deaf            |                        |                          |                    |                                   |
| and Hard of Hearing Fund                    | 2,836                  | 50,200                   | 50,200             | 51,136                            |
| Missouri Assistive Technology Fund          | 0                      | 750,000                  | 750,000            | 750,000                           |
| Classroom Trust Fund*****                   | 0                      | 297,208,638              | 311,285,314        | 311,285,314                       |
| Part C Early Intervention Fund              | 700,000                | 5,095,254                | 5,095,254          | 5,095,254                         |
| Early Childhood Development,                |                        |                          |                    |                                   |
| Education and Care Fund                     | 14,897,573             | 15,336,244               | 16,336,244         | 15,336,244                        |
| Assistive Technology Loan Revenue Fund      | 0                      | 546,592                  | 546,592            | 547,990                           |
| School for the Blind Trust Fund             | 671,890                | 1,500,000                | 1,500,000          | 1,500,000                         |
| School for the Deaf Trust Fund              | 15,969                 | 25,000                   | 25,000             | 25,000                            |
| Full-time equivalent employees              | 1,765.94               | 1,842.46                 | 1,833.46           | 1,831.71                          |

\* Does not include \$39,297,310 recommended in the Fiscal Year 2007 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Department of Elementary and Secondary Education supplemental appropriations.

\*\* Decrease in general revenue is due to facilities consolidation and Desegregation Payments.

\*\*\* Outstanding Schools Trust Fund receives an annual transfer from general revenue.

\*\*\*\* The State School Moneys Fund receives an annual transfer from general revenue, the Fair Share Fund, County Foreign Insurance Tax, and cigarette taxes.

\*\*\*\*\* The Fair Share Fund is now distributed via the foundation formula.

\*\*\*\*\* The School District Trust Fund receives revenues generated by a one cent sales tax (Proposition C).

\*\*\*\*\* The Classroom Trust Fund receives an annual transfer from the Gaming Proceeds for Education Fund and unclaimed lottery prize money.

## **DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION**

### **DEPARTMENT SUMMARY**

Governor Blunt's Fiscal Year 2008 budget provides over \$5.2 billion for elementary and secondary education. Direct state aid to local schools will increase \$175 million in Fiscal Year 2008, which is about a 4.4 percent increase over Fiscal Year 2007 funding levels. This funding supports 2,278 public schools and nearly 990,000 students throughout the state.

The core functions provided by the Department of Elementary and Secondary Education include:

- Administering educational policies of the state and supervising instruction in the public schools.
- Distributing school funding, including the Foundation Program, and state and federal grant programs.
- Granting certificates of qualification and licenses to teach in the public schools of the state.
- Providing vocational rehabilitation services to Missourians with disabilities to help them obtain employment.

**DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION****FINANCIAL SUMMARY**

|   | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|---|------------------------|--------------------------|-----------------------------------|
| Administrative and Financial Services         | \$ 6,090,876           | \$ 6,865,320             | \$ 7,017,645                      |
| Court-Ordered Payments                        | 13,000,000             | 12,000,000               | 11,000,000                        |
| Early Grade Literacy/Professional Development | 492,500                | 500,000                  | 500,000                           |
| School Food Services                          | 174,581,742            | 195,237,801              | 207,757,778                       |
| Fair Share Distribution                       | 23,565,819             | 0                        | 0                                 |
| County Foreign Insurance Tax Distribution     | 83,559,138             | 0                        | 0                                 |
| School District Bond Program                  | 495,927                | 592,000                  | 592,000                           |
| Federal Grants and Donations                  | 5,498,654              | 15,000,000               | 15,000,000                        |
| <b>TOTAL</b>                                  | <b>\$ 307,284,656</b>  | <b>\$ 230,195,121</b>    | <b>\$ 241,867,423</b>             |
| General Revenue Fund                          | 102,313,966            | 17,807,786               | 16,887,883                        |
| Federal Funds                                 | 177,701,507            | 208,461,233              | 221,045,566                       |
| Lottery Proceeds Fund                         | 192,638                | 145,000                  | 145,000                           |
| Other Funds                                   | 27,076,545             | 3,781,102                | 3,788,974                         |
| <b>Full-time equivalent employees</b>         | <b>68.39</b>           | <b>69.50</b>             | <b>68.50</b>                      |

**GENERAL ADMINISTRATION**

The Department of Elementary and Secondary Education is supervised by the State Board of Education, which consists of eight members appointed for eight-year terms by the Governor with the advice and consent of the Senate. The board appoints the Commissioner of Education as its chief administrative officer.

The Department of Elementary and Secondary Education's administrative responsibilities include the distribution of all federal and state funds to local school districts and other agencies. The department also administers the department's Court Ordered Payment Program. The Court Ordered Payment Program was a result of the 1997 desegregation settlement with Kansas City and St. Louis school districts. Operating payments have ended; however, transfer costs and capital outlays will continue through Fiscal Year 2010. As these payments phase out, savings will be redirected to the school foundation formula for the benefit of school districts across the state.

Other administrative functions of the department include the supervision and administration of the Early Grade Literacy Program, School Food Program, School District Bond Program, and Federal Grants and Donations.

**Fiscal Year 2008 Governor's Recommendations**

- \$12,519,977 federal funds for the School Food Program.
- \$36,249 federal funds for replacement vehicles.
- \$102,434 for pay plan, including \$66,455 general revenue.
- \$13,642 transferred from fringe benefits to pay for fringe costs associated with the mailroom consolidation.
- (\$1,000,000) core reduction for Court Ordered Payments to be redistributed to the foundation formula as required by law.
- (One) staff core reduction for mailroom consolidation from the Fiscal Year 2007 appropriation level.

**FACILITY SERVICES**

Responsibility for management of facility related services has been transferred to the Office of Administration. The Facilities Management, Design and Construction Division will be the central point for these services.

**Fiscal Year 2008 Governor's Recommendations**

- (\$1,390,201) transferred to the Office of Administration for statewide consolidation of facility maintenance functions.



# DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION

## FINANCIAL SUMMARY

|   | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|---|------------------------|--------------------------|-----------------------------------|
| Foundation - Formula                              | \$ 1,892,428,847       | \$ 2,707,281,434         | \$ 2,839,884,230                  |
| Foundation - Small Schools Program                | 0                      | 15,000,000               | 15,000,000                        |
| Foundation - Line 14 At Risk                      | 404,209,179            | 0                        | 0                                 |
| Foundation - Transportation                       | 162,067,076            | 162,667,713              | 162,667,713                       |
| Foundation - Special Education                    | 149,611,489            | 0                        | 0                                 |
| Foundation - Remedial Reading                     | 11,095,943             | 0                        | 0                                 |
| Foundation - Early Special Education              | 96,311,209             | 96,311,209               | 96,311,209                        |
| Foundation - Gifted                               | 24,870,075             | 0                        | 0                                 |
| Foundation - Career Ladder                        | 36,548,986             | 37,284,374               | 37,762,000                        |
| Foundation - Career Education                     | 52,880,428             | 52,880,428               | 52,880,428                        |
| Foundation - Parent Education/Parents As Teachers | 31,304,372             | 32,304,651               | 34,304,651                        |
| School District Trust Fund                        | 749,274,705            | 770,300,000              | 798,200,000                       |
| Virtual Education                                 | 0                      | 0                        | 2,600,000                         |
| DEPARTMENT TOTAL                                  | \$ 3,610,602,309       | \$ 3,874,029,809         | \$ 4,039,610,231                  |
| Outstanding Schools Trust Fund                    | 434,597,395            | 490,197,395              | 586,115,085                       |
| Lottery Proceeds Fund                             | 121,113,007            | 108,979,552              | 108,979,552                       |
| State School Moneys Fund                          | 2,305,617,202          | 2,207,344,224            | 2,235,030,280                     |
| School District Trust Fund                        | 749,274,705            | 770,300,000              | 798,200,000                       |
| Classroom Trust Fund                              | 0                      | 297,208,638              | 311,285,314                       |

## PUBLIC SCHOOL AID

A multitude of programs and funding sources are utilized to ensure all Missouri children receive a quality education. The bulk of state aid is distributed to districts via the foundation formula. In 2005, Governor Blunt signed into law Senate Bill 287, resulting in an equitable foundation formula to distribute state aid to Missouri schools. Missouri's foundation formula now apportions money to school districts based on student need. State funds are distributed to school districts based on the state adequacy target per pupil less the local effort. The new formula provides additional funding for children struggling with the English language, financial constraints, and special needs. In addition, the formula uses a regional dollar value modifier to address cost of living differences throughout the state.

Revenues from the Fair Share Fund, County Foreign Insurance Tax, and Gaming Proceeds for Education Fund are distributed via the foundation formula.

- Fair Share Fund revenues are generated from tax receipts from four cents per cigarette pack established by Section 149.015, RSMo.
- County Foreign Insurance Tax revenues are generated from the receipts of a two percent, per annum tax levied on the direct premiums of insurance companies not based in Missouri but doing business in Missouri. One-half of the net receipts of the County Foreign Insurance Tax from the previous year are distributed to school districts.
- The Gaming Proceeds for Education Fund is transferred to the Classroom Trust Fund, which is distributed directly to districts as a component of the foundation formula.

## DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION

### PUBLIC SCHOOL AID (Continued)

In addition to the foundation formula, Missouri's Public School Aid includes funding for four categorical add-on programs.

- The transportation add-on pays school districts up to 75 percent of the allowable costs of school bus and other transportation.
- The Career Ladder Program provides an incentive to teachers, librarians, and counselors who voluntarily participate in professional development activities. This program is financed by state and local matching funds.
- Career education provides for a full range of career education programs, services, and activities relating to agricultural education; business, marketing and cooperative education; family and consumer sciences; health sciences; and trade and industrial education.
- The Early Childhood Development Program provides state reimbursement to school districts that provide any of three programs for preschool children: 1) developmental screenings; 2) parent education; and 3) programs for the developmentally delayed.

The Small School Success Program provides additional funding for small school districts throughout the state. The School District Trust Fund provides additional funding distributed directly to districts to be used largely at their discretion. School District Trust Fund revenues are generated from Proposition C, which collects a one percent sales tax for elementary and secondary education.

In 2006, legislation was passed creating the Missouri Virtual School. The Missouri Virtual School will allow children to enroll in on-line classes. Students will have the option of enrolling full-time in the Virtual School or enrolling part-time allowing them to take courses not currently offered in their local school. Enrollment will be open to all students, public or private including home-schooled students. For Fiscal Year 2008 enrollment has been limited to 500 students.

### Fiscal Year 2008 Governor's Recommendations

- \$132,602,796 other funds for the foundation formula.
- \$27,900,000 School District Trust Fund for distribution to school districts.
- \$2,600,000 State School Moneys Fund for the Missouri Virtual School.
- \$2,000,000 State School Moneys Fund for the Parents as Teachers Program.
- \$477,626 State School Moneys Fund for the Career Ladder Program.

To ensure adequate funding is available for Missouri's Public School Aid, a number of transfers are made from general revenue (GR), the Gaming Proceeds for Education Fund (GPEF), and the Lottery Proceeds Fund (LPF) to the Outstanding Schools Trust Fund (OSTF), State School Moneys Fund (SSMF), and the Classroom Trust Fund (CTF).

| Transferred From  | Transferred To | FY06            | FY07            | FY08            | FY08 Changes |
|-------------------|----------------|-----------------|-----------------|-----------------|--------------|
| GR                | OSTF           | \$435,800,000   | \$491,400,000   | \$587,317,690   | \$95,917,690 |
| GR                | SSMF           | \$1,922,627,493 | \$2,033,218,993 | \$2,033,218,993 | \$0          |
| GR-County Foreign | SSMF           | \$0             | \$86,550,000    | \$95,800,000    | \$9,250,000  |
| Fair Share        | SSMF           | \$0             | \$23,400,000    | \$23,400,000    | \$0          |
| GPFE              | SSMF           | \$276,714,074   | \$0             | \$0             | \$0          |
| GPFE              | CTF            | \$0             | \$289,586,296   | \$299,625,742   | \$10,039,446 |
| LPF -Unclaimed    | CTF            | \$0             | \$7,622,342     | \$11,659,572    | \$4,037,230  |

## **DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION**

### **DIVISIONS OF SCHOOL IMPROVEMENT/TEACHER QUALITY AND URBAN EDUCATION**

The Division of School Improvement manages state and federal grant programs in addition to providing consultant services and technical assistance to local school districts. The division is comprised of three main areas: School Improvement and Accreditation, Curriculum Services and Assessment, and Federal Programs.

- School Improvement and Accreditation is responsible for the collection and maintenance of school core data, accrediting school districts through the Missouri School Improvement Program, supervising academically deficient schools, and administering Charter Schools and A+ programs.
- Curriculum Services and Assessment is responsible for providing curriculum technical assistance to school districts, overseeing the Missouri Assessment Program, providing support for gifted programs, and administering the Missouri Scholars and Fine Arts Academies.
- The division also monitors federal compliance with No Child Left Behind and manages multiple federal entitlement and discretionary grants.

The Division of Teacher Quality and Urban Education carries out the department's statutory obligations relating to educator certification, recruitment and retention, preparation, and professional development. The division is comprised of several sections including Educator Certification, Educator Preparation, Educator Recruitment and Retention, and Professional Development.

- Educator Certification is responsible for issuing and revoking certificates of license to teach, as well as maintaining records of certificated professionals.
- Educator Preparation administers MoSTEP, a program that evaluates professional education programs at Missouri higher education institutions.
- Educator Recruitment and Retention provides technical assistance to local districts and oversees programs including Career Ladder, professional staff tuition reimbursement, and scholarship programs.
- Professional Development designs, implements, and evaluates a variety of professional development events related to school improvement, instructional leadership, and student success.

### **Fiscal Year 2008 Governor's Recommendations**

- \$3,628,507 Lottery Proceeds Fund for the A+ Program.
- \$2,924,700 Lottery Proceeds Fund for e-mints classroom technology.
- \$510,571 Lottery Proceeds Fund for the CHARACTERPlus Program.
- \$250,000 Lottery Proceeds Fund for Advanced Placement Exams.
- \$175,000 for the Urban Flight and Rural Needs Scholarship Program.
- \$122,400 and two staff for the Division of School Improvement.
- \$158,721 for pay plan, including \$74,997 general revenue.
- (\$600,000) federal funds core reduction from the CHARACTERPlus Program.
- (\$250,000) federal funds core reduction from the Transition to Teaching Program.
- (\$122,400) Lottery Proceeds Fund and (two) staff core reduction for the Division of School Improvement.
- (\$2,600) Lottery Proceeds Fund transferred to the Office of Administration for the statewide consolidation of information technology services.

## **DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION**

### **DIVISION OF VOCATIONAL REHABILITATION**

The Division of Vocational Rehabilitation provides services to Missourians with disabilities to help them overcome impediments to employment. Vocational Rehabilitation is comprised of three sections: Vocational Rehabilitation, Disability Determinations, and Independent Living.

- Vocational Rehabilitation assists individuals with disabilities to obtain and/or maintain employment.
- Disability Determinations is responsible for collecting and documenting medical evidence of a disability and is funded by the federal Social Security Administration.
- Independent Living Centers are non-residential, private, non-profit, consumer-controlled, community-based organizations providing services and advocacy by and for persons with all types of disabilities.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$36,249 federal funds for replacement vehicles.
- \$744,408 federal funds for pay plan.
- \$8,978 federal funds transferred from fringe benefits to pay fringe costs associated with the mailroom consolidation.
- (\$500,000) federal funds core reduction for the Project Success Program.
- (\$300,000) federal funds core reduction for Independent Living Centers.
- (\$40,750) federal funds core reduction for one-time expenditures.
- (.75) staff federal funds core reduction for mailroom consolidation from the Fiscal Year 2007 appropriation level.

### **DIVISION OF VOCATIONAL AND ADULT EDUCATION**

The Division of Vocational and Adult Education provides individuals with services that supply the technical knowledge and skills needed to prepare for employment. The division also develops state plans for vocational and adult education and literacy that form the basis for distribution of federal and state funds to local education agencies. The Division of Vocational and Adult Education includes; the Distribution to Schools Program, Workforce Investment Act grants, Adult Basic Education Program, Special Literacy Grant Award Program, school-aged child care, and Troops to Teachers Program.

- The Distribution to Schools Program oversees grants provided to educational institutions for improving vocational-technical programs and distribution of funds to vocational programs located in public school districts, institutions of higher education, state agencies, and business establishments.
- The federal Workforce Investment Act provides federal funds that can be used for skill training for 15 service delivery areas in Missouri.
- The Adult Basic Education Program provides training in the fundamental skills of English, reading, and mathematics. To enroll in a class, a person must be 16 years of age or older, out of school, and lacking a high school diploma.
- The Special Literacy Grant Award Program was established to respond to the increasing numbers of adults needing basic education services.
- The federal Child Care and Development Block Grant provides funds to house school-aged child care programs in school buildings when they are not being used for educational classes.
- The Troops to Teachers Program is designed to encourage military personnel transitioning to the civilian labor force to consider teaching as a post-military career.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$1,000,000 Lottery Proceeds Fund for After School Programming.
- \$99,698 for pay plan, including \$37,810 general revenue.
- (\$12,500) federal funds core reduction for one-time expenditures.

## **DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION**

### **DIVISION OF SPECIAL EDUCATION**

The Division of Special Education is responsible for state and federal special education funds for Missouri public schools. The division administers special education grants, the High Need Fund and the Excess Cost of Public Placements, as well as the coordination of the First Steps Program, Sheltered Workshops, Readers for the Blind Program, and the Blind Literacy Task Force.

- Special education grants provide federal funds to districts to aid them in the purchase of instructional and technological equipment and services for disabled children.
- The High Need Fund and the Excess Cost of Public Placements are programs designed to aid school districts with education costs that exceed a district's normal expenditure per pupil. Excess Cost of Public Placements was created to address the issue of children in residential placements per the direction of the courts, the Department of Social Services or the Department of Mental Health.
- The First Steps Program is designed for children, birth to age 3, who have delayed development or diagnosed conditions that are associated with development disabilities.
- Sheltered Workshops are non-profit corporations that give people with disabilities a controlled working environment. Programs are designed to enable persons to progress toward normal living and develop their work capacities.
- The Readers for the Blind Program provides funds to employ readers for blind students served in local districts.
- The Blind Literacy Task Force was established to improve special education, vocational training, work to school transitions, rehabilitation services, independent living and employment outcomes for blind and visually impaired students.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$6,030,000 Lottery Proceeds Fund for the Special Education High Need Program.
- \$5,000,000 federal funds for the Special Education Grant Program.
- \$24,166 federal funds for replacement vehicles.
- \$58,888 for pay plan, including \$6,205 general revenue.
- (\$12,500) federal funds core reduction for one-time expenditures.

### **BOARD OPERATED SCHOOLS OPERATIONS**

The State Board of Education operates two residential facilities, the School for the Blind in St. Louis and the School for the Deaf in Fulton, and day-school facilities - the State Schools for the Severely Handicapped located throughout the state. The Department of Elementary and Secondary Education oversees the distribution of state, federal, and private donations to these institutions.

- The Missouri School for the Blind offers elementary and secondary education in a residential school environment for blind or visually impaired students from ages 5 to 21 years.
- The Missouri School for the Deaf provides elementary and secondary education in a residential school environment for deaf- or hearing-impaired students from ages 5 to 21 years. The school provides separate facilities for primary age, intermediate age, and high school students.
- For students too severely disabled to be served effectively by local public schools, the department operates 37 state schools and contracts with private non-profit agencies to provide educational services for children the state schools cannot practically serve. These schools offer day programs in basic and prevocational training with the ultimate goal of assisting students in functioning semi-independently in their homes and communities.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$16,840 Lottery Proceeds Fund for a replacement vehicle.
- \$918,549 for pay plan, including \$868,427 general revenue.
- (\$1,003,881) and (nine) staff transferred to the Office of Administration for statewide consolidation of facility maintenance functions.
- (\$342,754) Lottery Proceeds Fund core reduction from the Fiscal Year 2007 appropriation level.

## **DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION**

### **COMMISSION FOR THE DEAF AND HARD OF HEARING**

The Missouri Commission for the Deaf and Hard of Hearing and the Board for Certification of Interpreters are assigned to the Department of Elementary and Secondary Education.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$11,521 for office equipment replacement.
- \$10,095 for speech recognition software.
- \$7,521 for pay plan, including \$6,585 general revenue.

### **MISSOURI ASSISTIVE TECHNOLOGY COUNCIL**

The Missouri Assistive Technology Council is assigned to the Department of Elementary and Secondary Education. The council supports access to adaptive devices that increase the independence and productivity of Missourians with all types of disabilities. The council provides adaptive telecommunications devices and computer adaptations, short-term loan of a full range of assistive technology, used equipment exchange, and low-interest loans for the purchase of assistive technology and home modifications.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$13,896 federal and other funds for pay plan.

### **MISSOURI CHILDREN'S SERVICES COMMISSION**

The Missouri Children's Services Commission is assigned to the Department of Elementary and Secondary Education. The Missouri Children's Services Commission takes a leadership role in identifying and evaluating programs and state services that affect the children of Missouri.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

# DEPARTMENT OF HEALTH AND SENIOR SERVICES

## FINANCIAL SUMMARY

|   | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | FY 2008<br>REQUEST    | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|---|------------------------|--------------------------|-----------------------|-----------------------------------|
| Health Administration   | \$ 11,187,547          | \$ 19,771,890            | \$ 19,620,180         | \$ 19,856,473                     |
| Information Technology  | 12,523,691             | 0                        | 0                     | 0                                 |
| State Public Health Laboratory  | 8,108,048              | 8,252,426                | 9,679,882             | 9,780,544                         |
| Center for Emergency Response and Terrorism                                   | 19,818,148             | 23,675,343               | 23,675,343            | 23,765,217                        |
| Division of Community and Public Health                                       | 232,881,010            | 266,571,113              | 270,541,070           | 267,718,894                       |
| Division of Senior and Disability Services                                    | 449,450,995            | 474,946,112              | 479,553,739           | 487,351,215                       |
| Division of Regulation and Licensure  | 1,618,196              | 29,139,682               | 28,328,024            | 28,569,760                        |
| Missouri Senior Rx Program  | 8,504,733              | 0                        | 0                     | 0                                 |
| <b>DEPARTMENTAL TOTAL</b>   | <b>\$ 744,092,368</b>  | <b>\$ 822,356,566 *</b>  | <b>\$ 831,398,238</b> | <b>\$ 837,042,103</b>             |
| General Revenue Fund  | 205,719,205            | 228,301,096              | 231,607,958           | 231,572,918                       |
| Federal Funds   | 511,193,034            | 567,288,385              | 571,255,641           | 576,810,056                       |
| Nursing Facility Quality of Care Fund   | 1,033,310              | 2,944,348                | 2,953,859             | 2,977,357                         |
| Health Initiatives Fund   | 5,372,011              | 5,410,980                | 5,410,980             | 5,412,372                         |
| Health Access Incentive Fund  | 3,102,581              | 3,196,608                | 3,196,608             | 3,201,308                         |
| Division of Aging Elderly Home-Delivered Meals Trust Fund                     | 67,010                 | 430,000                  | 430,000               | 430,000                           |
| Missouri Public Health Services Fund  | 4,329,308              | 4,536,355                | 6,200,519             | 6,249,579                         |
| Professional and Practical Nursing Student Loan and Nurse Loan Repayment Fund | 568,299                | 635,017                  | 585,017               | 587,067                           |
| Healthy Families Trust Fund   | 0                      | 0                        | 1,000,000             | 1,000,000                         |
| Department of Health and Senior Services Document Services Fund               | 482,268                | 820,964                  | 820,964               | 831,148                           |
| Department of Health - Donated Fund   | 1,183,394              | 4,779,114                | 4,279,114             | 4,291,540                         |
| Missouri Senior Rx Fund   | 8,532,067              | 0                        | 0                     | 0                                 |
| Head Injury Fund  | 849,016                | 852,400                  | 852,400               | 852,400                           |
| Organ Donor Program Fund  | 137,698                | 284,319                  | 284,319               | 287,388                           |
| Early Childhood Development, Education and Care Fund                          | 825,550                | 981,216                  | 981,216               | 987,063                           |
| Missouri Lead Abatement Loan Fund   | 88,545                 | 276,000                  | 206,237               | 206,237                           |
| Childhood Lead Testing Fund   | 176,080                | 237,753                  | 199,965               | 202,893                           |
| Governor's Council on Physical Fitness Institution Gift Trust Fund            | 0                      | 350,000                  | 350,000               | 350,000                           |
| Other Funds   | 432,992                | 1,032,011                | 783,441               | 792,777                           |
| <b>Full-time equivalent employees</b>   | <b>1,892.93</b>        | <b>1,949.61</b>          | <b>1,938.95</b>       | <b>1,923.95</b>                   |

\* Does not include \$15,047,605 recommended in the Fiscal Year 2007 Supplemental Appropriations, including \$14,078,861 general revenue. See the Supplemental section of the Missouri Budget for details regarding the Department of Health and Senior Services supplemental appropriations.

## DEPARTMENT SUMMARY

Governor Blunt's Fiscal Year 2008 budget provides a total of \$837 million for the Department of Health and Senior Services. The department works to protect and promote the health of Missourians. The primary responsibilities of the department include:

- Safeguarding the public health, safety, and well-being of all Missourians.
- Providing health services and in-home and community programs for Missouri's disabled and senior populations.
- Preventing and controlling communicable and genetic diseases.
- Preventing and reducing the burden of chronic disease.
- Protecting Missourians through regulation and inspection of facilities, including hospitals, nursing homes and other long-term care facilities, and child and adult day care programs, with an emphasis on timely and complete complaint investigations.
- Attending to the specific needs of Missouri's women and minority populations through education, outreach, and the promotion of treatment programs unique to health care issues of these groups.

## **DEPARTMENT OF HEALTH AND SENIOR SERVICES**

### **HEALTH ADMINISTRATION**

The Director's Office and the Division of Administration perform the coordination and control functions necessary to ensure efficient, cost-effective use of state resources for all Missouri public health and senior services programs. Responsibilities and services include budgeting, legislative review, accounting, expenditure control, purchasing, contract and grant administration, general office support, legal services, strategic planning, and personnel management and training.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$193,226 for pay plan, including \$45,108 general revenue.
- \$100,464 federal funds and one staff reallocated from various divisions.
- \$43,067 transferred from fringe benefits to pay for fringe cost associated with the mailroom consolidation, including \$6,891 general revenue.
- (\$252,173) and (three) staff reallocated to various divisions.
- (\$1) federal funds core reduction from the Fiscal Year 2007 appropriation level.
- (Four) staff core reduction for mailroom consolidation from the Fiscal Year 2007 appropriation level.

### **STATE PUBLIC HEALTH LABORATORY**

The State Public Health Laboratory analyzes samples from newborns for metabolic conditions, conducts tests of human samples for suspected disease agents, and tests materials suspected in biological, chemical, and radiological terrorism. Each year nearly one-half million specimens are submitted to the laboratory for testing and examination. The laboratory performs tests for communicable and infectious diseases, including: tuberculosis, HIV, sexually transmitted diseases, rabies, immunizable diseases, and others. The lab also tests public and private water supplies, performs screenings for childhood lead poisoning, and examines milk and food suspected of causing disease outbreaks.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$1,690,099 Missouri Public Health Services Fund and 3.5 staff to increase newborn, cystic fibrosis and biotinidase screenings and cover increased lab supply costs.
- \$100,662 for pay plan, including \$66,389 general revenue.
- (\$238,417) federal and other funds and (3.51) staff core reduction from the Fiscal Year 2007 appropriation level.
- (\$24,226) and (one) staff reallocated to various divisions.

### **CENTER FOR EMERGENCY RESPONSE AND TERRORISM**

The Center for Emergency Response and Terrorism is responsible for coordinating regional and state preparedness for public health emergencies and natural disasters, including chemical, biological, radiological, and nuclear terrorism. Through partnerships with local public health agencies, health care organizations, local government agencies, first responders, and other public and private partners, the center works to assure that systems and programs are in place to protect the health of Missourians during a public health emergency.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$89,874 federal funds for pay plan.



## **DEPARTMENT OF HEALTH AND SENIOR SERVICES**

### **DIVISION OF COMMUNITY AND PUBLIC HEALTH**

The Division of Community and Public Health coordinates the department's partnership with 115 local public county health agencies to improve the health of all Missourians and is responsible for collecting, analyzing, and distributing data that identify the current health status, emerging health problems, and the unmet health needs of Missourians. The division issues copies of birth and death certificates, provides services that focus on disease prevention and control, and performs surveillance and epidemiological services for a wide range of communicable and zoonotic diseases and environmental induced conditions. Additionally, the division provides diagnosis and treatment of tuberculosis, HIV/AIDS, and STD's in cooperation with local public health agencies, while also monitoring emerging infectious diseases such as SARS, monkey pox, and West Nile virus. The immunization program is administered by the division, which also assists in the assessment of the health and senior services needs of women in the state through the Office on Women's Health. The division also helps reduce the risk of disease and illness in Missouri by implementing and assuring good sanitation and safety practices in commercial lodging establishments, on-site sewage systems, and lead remediators. Finally, the division administers programs for maternal, child, and family health including children with special health care needs, nutritional health, chronic disease prevention, health promotion, head injury rehabilitation, genetic disorders and community health improvement, and encourages nurses, doctors, and dentists to locate in medically underserved areas of the state.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$1,000,000 Healthy Families Trust Fund for youth tobacco prevention and cessation programs.
- \$960,000 for the Alternatives to Abortion program.
- \$742,464 for pay plan, including \$221,354 general revenue.
- \$640,935 and four staff reallocated from various divisions, including \$276,399 general revenue.
- (\$1,379,763) federal and other funds and (5.65) staff core reduction from the Fiscal Year 2007 appropriation level.
- (\$558,955) core reduction for one-time expenditures, including (\$550,000) general revenue.
- (\$250,000) Blindness Education, Screening and Treatment Program Fund transferred to the Department of Social Services.
- (\$6,900) Missouri Public Health Services Fund transferred to the Office of Administration for the statewide consolidation of information technology services.

### **DIVISION OF SENIOR AND DISABILITY SERVICES**

The Division of Senior and Disability Services is mandated to investigate allegations of abuse, neglect, and financial exploitation of vulnerable elderly and disabled Missourians based on reports received at a state-wide toll-free hotline. Designated as the State Unit on Aging, the division is responsible for assuring that a comprehensive, effective, and coordinated home and community-based long-term care delivery system is available for elderly and disabled individuals. The division informs individuals considering long-term care about their options for home care and provides appropriate referrals; authorizes Medicaid funded home and community based services; provides care plan management for home care service recipients (both Medicaid recipients and Non-Medicaid eligible recipients); and provides oversight and monitors contracts of service providers. Funding for the Area Agencies on Aging (AAAs) helps provide seniors the services they need to continue to live in their communities, including congregate and home-delivered meals, transportation, legal services, health promotion, and other support services authorized under the Older Americans Act. The division also provides guidance, oversight and monitoring of the programs and services offered by the AAAs. These flexible service delivery systems help empower thousands of elderly and adults with disabilities to live dignified, independent lives in their own homes and communities.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$12,488,156 for a \$.50/hour rate increase for in-home and community-based direct care workers, including \$4,922,201 general revenue.
- \$2,733,243 federal funds to address the change in the federal Medicaid participation percentage.
- \$1,945,156 to fund the medical for employed disabled program, including \$734,880 general revenue.
- \$479,720 for pay plan, including \$294,199 general revenue.
- (\$4,862,172) core reduction from the Fiscal Year 2007 appropriation level, including (\$3,456,502) general revenue.
- (\$379,000) core reduction for one-time expenditures.
- (One) staff reallocated to the Director's Office.

## **DEPARTMENT OF HEALTH AND SENIOR SERVICES**

### **DIVISION OF REGULATION AND LICENSURE**

The Division of Regulation and Licensure is responsible for assuring that the care and services provided by hospitals, ambulatory surgical centers, home health agencies, hospices, long-term care facilities, intermediate care facilities (including those for the mentally retarded), skilled nursing facilities, childcare providers, ambulances, emergency medical technicians, and those who prescribe or dispense controlled substances meet state and/or federal standards. Many of these providers are Medicare and Medicaid certified, and the division inspects entities based on federal as well as state requirements. In addition to periodic compliance surveys, the division also investigates complaints concerning these entities. The division also monitors medical and industrial radiation equipment usage and procedures. Finally, the division includes the Family Care Safety Registry, which registers caregivers and provides background screenings to families and other employers who want to hire a caregiver for a child, elderly, or disabled individual; the Board of Nursing Home Administrators, which tests and licenses nursing home administrators; the State Ombudsman Program, which advocates for the right of residents in licensed long-term care facilities; and the Missouri Health Facilities Review Committee, which focuses on health care cost containment through the prevention of unnecessary duplication of health care services.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$642,406 for pay plan, including \$404,585 general revenue.
- \$187,901 to implement the Personnel Advisory Board recommendation for repositioning of certain critical employee classifications, including \$131,899 general revenue.
- (\$735,069) federal funds and (16) staff core reduction from the Fiscal Year 2007 appropriation level.
- (\$465,000) federal funds reallocated to various divisions.
- (\$114,480) core reduction for one-time expenditures, including (\$65,254) general revenue.
- (\$85,680) transferred to the Office of Administration for the statewide consolidation of information technology services, including (\$64,928) general revenue.

# DEPARTMENT OF HIGHER EDUCATION

## FINANCIAL SUMMARY

|  | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | FY 2008<br>REQUEST | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|--|------------------------|--------------------------|--------------------|-----------------------------------|
| Higher Education Coordination                        | \$ 556,724             | \$ 712,386               | \$ 870,684         | \$ 731,777                        |
| Information Technology Consolidation                 | 687,275                | 0                        | 0                  | 0                                 |
| Proprietary School Regulation                        | 118,336                | 228,606                  | 228,606            | 231,741                           |
| Midwest Higher Education Commission                  | 90,000                 | 90,000                   | 90,000             | 90,000                            |
| State Anatomical Board                               | 2,437                  | 0                        | 0                  | 0                                 |
| Federal Education Programs                           | 1,206,573              | 3,778,746                | 3,778,746          | 3,780,557                         |
| Financial Aid  | 126,847,694            | 141,779,339              | 209,785,306        | 202,721,966                       |
| Community Colleges                                   | 129,337,924            | 136,029,827              | 153,141,435        | 141,743,080                       |
| Technical Colleges                                   | 4,403,959              | 4,634,133                | 5,510,528          | 4,926,265                         |
| Four-Year Colleges and Universities                  | 697,285,407            | 736,576,881              | 829,318,166        | 770,082,449                       |
| University of Missouri - Related Programs            | 42,865,081             | 44,786,952               | 49,210,599         | 45,707,597                        |
| DEPARTMENTAL TOTAL                                   | \$ 1,003,401,410       | \$ 1,068,616,870 *       | \$ 1,251,934,070   | \$ 1,170,015,432                  |
| General Revenue Fund                                 | 831,264,897            | 879,356,731              | 1,022,827,045      | 933,931,649                       |
| Federal Funds  | 2,661,494              | 6,468,111                | 6,309,358          | 6,482,693                         |
| Missouri Student Grant Program Gift Fund             | 0                      | 50,000                   | 50,000             | 50,000                            |
| Lottery Proceeds Fund                                | 74,763,101             | 76,990,310               | 76,990,310         | 83,656,977                        |
| Spinal Cord Injury Fund                              | 400,000                | 400,000                  | 400,000            | 400,000                           |
| State Seminary Moneys Fund                           | 128,018                | 250,000                  | 250,000            | 250,000                           |
| Healthy Families Trust Fund -<br>Health Care Account | 628,200                | 419,355                  | 0                  | 0                                 |
| GEAR UP Scholarship Fund                             | 169,484                | 200,000                  | 700,000            | 700,000                           |
| Proprietary School Bond Fund                         | 0                      | 100,000                  | 100,000            | 100,000                           |
| State Seminary Fund                                  | 2,819,406              | 3,000,000                | 3,000,000          | 3,000,000                         |
| Guaranty Agency Operating Fund                       | 10,557,647             | 16,382,363               | 16,307,357         | 16,444,113                        |
| Federal Student Loan Reserve Fund                    | 80,009,163             | 85,000,000               | 125,000,000        | 125,000,000                       |
| Full-time equivalent employees                       | 66.26                  | 75.92                    | 80.92              | 75.67                             |

\* Does not include \$65,372,000 recommended in the Fiscal Year 2007 Supplemental Appropriations, including \$17,038,667 general revenue. See the Supplemental section of the Missouri Budget for details regarding the Department of Higher Education supplemental appropriations.

## DEPARTMENT SUMMARY

Governor Blunt's Fiscal Year 2008 budget provides a total of \$1.2 billion for the Department of Higher Education. The department provides services for Missourians pursuing a postsecondary education. The core functions provided by the Department of Higher Education include:

- Supporting Missouri's two- and four-year institutions of higher education. Missouri's higher education institutions play a critical role in supplying the skilled workers that are necessary to stimulate economic growth in the state.
- Providing financial assistance to allow Missouri students access to higher education and to encourage the state's top academic achievers to attend Missouri higher education institutions.
- Planning for postsecondary education, evaluating institutional missions and performance, regulating proprietary institutions, and approving new degree programs offered by public colleges and universities.

## **DEPARTMENT OF HIGHER EDUCATION**

### **HIGHER EDUCATION COORDINATION**

This program includes the Commissioner of Higher Education, the general administrative staff, and the expenses of the Coordinating Board. Under direction of the Coordinating Board, the administrative staff reviews and coordinates the programs of approximately 58 public and private institutions of higher education. Staff also prepares the Coordinating Board's budget recommendations for public colleges and universities. Other program responsibilities include collecting and distributing student enrollment data and reviewing and approving proposed new degree programs at public institutions.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$18,437 for pay plan, including \$12,503 general revenue.
- \$954 transferred from fringe benefits to pay for fringe costs associated with the mailroom consolidation.
- (.07) staff core reduction for mailroom consolidation from the Fiscal Year 2007 appropriation level.

### **PROPRIETARY SCHOOL REGULATION**

Sections 173.600 through 173.619, RSMo, provide for the regulation of proprietary schools operating in the State of Missouri. There are approximately 151 proprietary schools in operation. The Coordinating Board is charged with the authority to issue, revoke, or suspend certificates of approval ensuring that proprietary schools meet minimum state standards, place schools on probation, require each school to file a security bond, and collect data from certified proprietary schools.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$3,135 for pay plan.

### **MIDWEST HIGHER EDUCATION COMMISSION**

The Midwest Higher Education Commission is a consortium of states that work together on student exchange agreements, higher education research and policy development, and cost saving programs in which Missouri institutions may participate. Membership in the organization requires payment of annual dues. Missouri became a member state of the Midwest Higher Education Commission pursuant to the provisions of Sections 173.708 through 173.710, RSMo.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

### **FEDERAL EDUCATION PROGRAMS AND DONATIONS**

The Improving Teacher Quality States Grant Program provides federal funds for the improvement of instruction in the core subject areas in grades K-12. The Department of Higher Education administers its portion of these funds through a competitive grant process. The funds are used to design and develop professional development projects addressing the needs of K-12 teachers in the targeted core academic subjects of mathematics and science.

In addition, department staff will continue to pursue federal grants, foundation resources, and private donations to support new programs.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$1,811 federal funds for pay plan.

**DEPARTMENT OF HIGHER EDUCATION  
STUDENT FINANCIAL AID**

**FINANCIAL SUMMARY**

|  | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|--|------------------------|--------------------------|-----------------------------------|
| <b>GRANTS AND SCHOLARSHIPS</b>                 |                        |                          |                                   |
| Administration                                 | \$ 101,965             | \$ 106,465               | \$ 108,505                        |
| Academic Scholarship Program                   | 15,987,000             | 15,987,000               | 16,359,000                        |
| Charles E. Gallagher Grant Program             | 16,172,642             | 18,157,854               | 31,491,187                        |
| Public Service Survivor Grant Program          | 47,045                 | 60,710                   | 60,710                            |
| Vietnam Veterans Survivors Scholarship Program | 43,234                 | 50,000                   | 50,000                            |
| Marguerite Ross Barnett Scholarship Program    | 425,000                | 425,000                  | 425,000                           |
| Missouri College Guarantee Program             | 3,175,000              | 3,945,582                | 10,612,249                        |
| GEAR UP PROGRAM                                | 875,274                | 1,664,365                | 2,171,202                         |
| MISSOURI STUDENT LOAN PROGRAM                  | 90,020,534             | 101,382,363              | 141,444,113                       |
| <b>TOTAL</b>                                   | <b>\$ 126,847,694</b>  | <b>\$ 141,779,339</b>    | <b>\$ 202,721,966</b>             |
| General Revenue Fund                           | 32,607,680             | 34,932,611               | 48,639,984                        |
| Federal Funds                                  | 1,299,996              | 2,464,365                | 2,471,202                         |
| Other Funds                                    | 92,940,018             | 104,382,363              | 151,610,780                       |
| <b>Full-time equivalent employees</b>          | <b>41.02</b>           | <b>58.27</b>             | <b>58.09</b>                      |

**ADMINISTRATION OF STATE GRANT AND SCHOLARSHIP PROGRAMS**

Administration of state grant and scholarship programs includes determining an applicant's eligibility for a grant, determining the amount of individual grants, issuing payments, and monitoring school financial aid offices for compliance with program requirements. Approximately 25,470 grants and scholarships totaling nearly \$41.8 million annually are distributed by the department.

**Fiscal Year 2008 Governor's Recommendations**

- \$2,040 for pay plan.

**ACADEMIC SCHOLARSHIP PROGRAM**

The Academic Scholarship ("Bright Flight") Program provides \$2,000 scholarships for Missouri high school graduating seniors scoring in the top three percent of all Missouri students taking either the American College Test (ACT) or the Scholastic Aptitude Test (SAT) of the College Board. The students must use the scholarship to attend a Missouri college or university. The scholarships are renewable up to a total of ten semesters. An estimated 8,500 students will be awarded scholarships in Fiscal Year 2008.

**Fiscal Year 2008 Governor's Recommendations**

- \$372,000 to ensure that all qualified applicants to the Academic Scholarship (Bright Flight) Program receive scholarships.

**CHARLES E. GALLAGHER GRANT PROGRAM**

The Charles E. Gallagher Student Financial Assistance (Missouri Student Grant) Program provides grants to eligible Missouri postsecondary students of up to a maximum of ten semesters based on the lesser of: (a) demonstrated financial need, (b) one-half the tuition and fees of the previous year, or (c) \$1,500.

**Fiscal Year 2008 Governor's Recommendations**

- \$13,333,333 for additional grants.

## **DEPARTMENT OF HIGHER EDUCATION**

### **STUDENT FINANCIAL AID (Continued)**

#### **PUBLIC SERVICE SURVIVOR GRANT PROGRAM**

The Public Service Survivor Grant Program provides educational benefits to the children and spouses of certain public employees killed or permanently and totally disabled in the line of duty. An eligible child, up to the age of 24, or an eligible spouse may receive a grant to enroll in a program leading to a certificate, associate degree, or baccalaureate degree at an approved public or private postsecondary institution. The grant may not exceed the amount paid in tuition by a full-time undergraduate Missouri resident at the University of Missouri.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

#### **VIETNAM VETERANS SURVIVORS SCHOLARSHIP PROGRAM**

The Vietnam Veterans Survivors Scholarship Program provides educational benefits to the spouse or child of a veteran of the Vietnam War whose death was caused by exposure to toxic chemicals. The maximum award may not exceed the amount of tuition paid by a full-time undergraduate Missouri resident at the University of Missouri.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

#### **MARGUERITE ROSS BARNETT SCHOLARSHIP PROGRAM**

The Marguerite Ross Barnett Scholarship Program provides grants to part-time undergraduate students who are employed and compensated for at least 20 hours per week and who have financial need. The maximum award may not exceed the amount of tuition paid by a part-time undergraduate Missouri resident at the University of Missouri.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

#### **MISSOURI COLLEGE GUARANTEE PROGRAM**

The Missouri College Guarantee Program provides scholarships based on financial need to students that meet specified academic standards. The program is designed to serve Missouri students most in need regardless of institutional choice.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$6,666,667 Lottery Proceeds Fund for additional scholarships.

#### **GEAR UP PROGRAM**

The Department of Higher Education has been awarded a federal GEAR UP grant that will help improve the educational attainment of Missouri citizens by providing early college preparation and awareness activities to participating students through comprehensive mentoring, counseling, outreach, and other support services. These activities promote equal access to educational excellence through partnership efforts on behalf of low-income, underrepresented students, and ensure that targeted students have access to rigorous courses that prepare them for college. Fourteen Missouri high schools in five public school districts with more than 3,300 twelfth grade students are participating in the GEAR UP Program. Participants of the program may be eligible for scholarships based on high school performance and financial need.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$500,000 GEAR UP Scholarship Fund for additional scholarships.
- \$6,837 federal funds for pay plan.

## **DEPARTMENT OF HIGHER EDUCATION**

### **STUDENT FINANCIAL AID (Continued)**

#### **MISSOURI STUDENT LOAN PROGRAM AND ADMINISTRATION**

The Missouri Student Loan Program provides repayable loans to parents and students through commercial lending institutions. Since its inception in 1979, the program has guaranteed approximately 2.3 million loans totaling over \$8 billion. In Fiscal Year 2008, approximately 250 lending institutions will participate in loaning funds to students attending more than 160 eligible institutions. Over 180,000 loans totaling nearly \$900 million annually are guaranteed by the department benefiting close to 100,000 Missouri students and their families. The Missouri Student Loan Program uses private contractors to aid in processing and servicing its loans. The loan program staff performs activities including outreach services to students, schools, and lenders; the administration of the Administrative Wage Garnishment and Automated Transfer of Money programs; general loan program administration; and functions necessary to oversee contractor services and ensure compliance with state and federal law.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$40,000,000 Federal Student Loan Reserve Fund to enable the Missouri Guaranteed Student Loan Program to purchase defaulted loans, pay default aversion fees, and reimburse monies to the federal government.
- \$59,266 Guaranty Agency Operating Fund for pay plan.
- \$2,484 Guaranty Agency Operating Fund transferred from fringe benefits to pay for fringe costs associated with the mailroom consolidation.
- (.18) staff core reduction for mailroom consolidation from the Fiscal Year 2007 appropriation level.

## DEPARTMENT OF HIGHER EDUCATION

### AID TO PUBLIC COMMUNITY COLLEGES

The budget recommendations for Missouri public community colleges are based on the recommendations developed by the Coordinating Board. The 12 institutions (18 campuses) eligible to receive state aid are: Crowder College in Neosho, East Central College in Union, Jefferson College in Hillsboro, Metropolitan Community College – five campuses in the Kansas City area, Mineral Area College in Park Hills, Moberly Area Community College in Moberly, North Central Missouri College in Trenton, Ozarks Technical Community College in Springfield, St. Charles Community College in St. Peters, St. Louis Community College – three campuses in St. Louis City and County, State Fair Community College in Sedalia, and Three Rivers Community College in Poplar Bluff.

### FINANCIAL SUMMARY

|   | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|---|------------------------|--------------------------|-----------------------------------|
| Crowder College   | \$ 0                   | \$ 0                     | \$ 4,736,814                      |
| East Central College                                      | 0                      | 0                        | 5,498,161                         |
| Jefferson College   | 0                      | 0                        | 8,067,279                         |
| Metropolitan Community College                            | 0                      | 0                        | 33,515,411                        |
| Mineral Area College                                      | 0                      | 0                        | 5,285,527                         |
| Moberly Area Community College                            | 0                      | 0                        | 5,242,787                         |
| Moberly Area Community College Intergenerational Day Care | 0                      | 25,000                   | 0                                 |
| North Central Missouri College                            | 0                      | 0                        | 2,609,198                         |
| Ozarks Technical Community College                        | 0                      | 0                        | 10,463,328                        |
| St. Charles Community College                             | 0                      | 0                        | 7,923,856                         |
| St. Louis Community College                               | 0                      | 0                        | 48,192,212                        |
| State Fair Community College                              | 0                      | 0                        | 5,604,101                         |
| Three Rivers Community College                            | 0                      | 0                        | 4,604,406                         |
| State Aid to Community Colleges                           | 92,557,378             | 98,086,738               | 0                                 |
| Out-of-District Instruction                               | 1,140,706              | 1,175,986                | 0                                 |
| Workforce Preparation                                     | 15,804,982             | 16,293,796               | 0                                 |
| Postsecondary Technical Education                         | 19,834,858             | 20,448,307               | 0                                 |
| <b>TOTAL</b>  | <b>\$ 129,337,924</b>  | <b>\$ 136,029,827</b>    | <b>\$ 141,743,080</b>             |
| General Revenue Fund                                      | 122,109,014            | 128,577,342              | 134,290,595                       |
| Lottery Proceeds Fund                                     | 7,228,910              | 7,452,485                | 7,452,485                         |

### Fiscal Year 2008 Governor's Recommendations

- \$5,713,253 for increased funding for public community colleges:
  - \$168,084 for Crowder College
  - \$195,100 for East Central College
  - \$286,264 for Jefferson College
  - \$1,189,278 for Metropolitan Community College
  - \$187,554 for Mineral Area College
  - \$226,846 for Moberly Area Community College
  - \$92,586 for North Central Missouri College
  - \$699,603 for Ozarks Technical Community College
  - \$561,779 for St. Charles Community College
  - \$1,710,078 for St. Louis Community College
  - \$198,859 for State Fair Community College
  - \$197,222 for Three Rivers Community College
- \$136,029,827 reallocated to the individual community colleges from state aid, out-of-district instruction, workforce preparation, postsecondary technical education, and day care, including \$128,577,342 general revenue.
- (\$98,086,738) reallocated from state aid to the individual community colleges, including (\$91,966,606) general revenue.
- (\$20,448,307) reallocated from postsecondary technical education to the individual community colleges.
- (\$16,293,796) reallocated from workforce preparation to the individual community colleges, including (\$14,961,443) general revenue.
- (\$1,175,986) reallocated from out-of-district instruction to the individual community colleges.
- (\$25,000) reallocated from Moberly Area Community College intergenerational day care to Moberly Area Community College.



## DEPARTMENT OF HIGHER EDUCATION

### LINN STATE TECHNICAL COLLEGE

Senate Bill 101 (1995) established Linn State Technical College with a statewide mission to offer highly specialized and advanced technical education and training at the certificate and associate degree level.

#### Fiscal Year 2008 Governor's Recommendations

- \$292,132 for increased funding for Linn State Technical College.

### PUBLIC FOUR-YEAR INSTITUTIONS OF HIGHER EDUCATION

The budget recommendations for Missouri's ten public, four-year institutions of higher education are based on the recommendations developed by the Coordinating Board. Missouri's public, four-year institutions of higher education include: the University of Central Missouri at Warrensburg, Harris-Stowe State University at St. Louis, Lincoln University at Jefferson City, Missouri Southern State University at Joplin, Missouri Western State University at St. Joseph, Northwest Missouri State University at Maryville, Southeast Missouri State University at Cape Girardeau, Missouri State University at Springfield, Truman State University at Kirksville, and the University of Missouri system.

#### FINANCIAL SUMMARY

|                                     | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|-------------------------------------|------------------------|--------------------------|-----------------------------------|
| University of Central Missouri      | \$ 52,212,654          | \$ 54,963,213            | \$ 57,271,668                     |
| Southeast Missouri State University | 42,517,048             | 44,734,189               | 46,640,471                        |
| Missouri State University           | 77,887,092             | 81,930,532               | 86,371,614                        |
| Lincoln University                  | 16,250,014             | 17,125,184               | 17,956,828                        |
| Truman State University             | 39,545,110             | 41,594,223               | 43,341,180                        |
| Northwest Missouri State University | 28,970,443             | 30,484,455               | 31,764,802                        |
| Missouri Southern State University  | 20,478,770             | 21,539,003               | 23,102,308                        |
| Missouri Western State University   | 20,143,134             | 21,197,492               | 22,358,627                        |
| Harris-Stowe State University       | 9,516,362              | 10,017,401               | 10,438,132                        |
| Subtotal                            | 307,520,627            | 323,585,692              | 339,245,630                       |
| University of Missouri              | 389,764,780            | 412,991,189              | 430,836,819                       |
| TOTAL                               | \$ 697,285,407         | \$ 736,576,881           | \$ 770,082,449                    |
| General Revenue Fund                | 632,909,128            | 670,209,584              | 703,715,152                       |
| Lottery Proceeds Fund               | 64,376,279             | 66,367,297               | 66,367,297                        |

#### Fiscal Year 2008 Governor's Recommendations

- \$32,005,568 for increased funding at public four-year institutions:
  - \$2,308,455 for the University of Central Missouri
  - \$1,906,282 for Southeast Missouri State University
  - \$3,441,082 for Missouri State University
  - \$831,644 for Lincoln University
  - \$1,746,957 for Truman State University
  - \$1,280,347 for Northwest Missouri State University
  - \$1,563,305 for Missouri Southern State University
  - \$1,161,135 for Missouri Western State University
  - \$420,731 for Harris-Stowe State University
  - \$17,345,630 for the University of Missouri
- \$500,000 for Missouri State University for operations at the West Plains campus.
- \$500,000 for Missouri State University for a Cooperative Engineering Program with the University of Missouri-Rolla.
- \$500,000 for the University of Missouri for a Cooperative Engineering Program with Missouri State University.

**DEPARTMENT OF HIGHER EDUCATION  
UNIVERSITY OF MISSOURI – RELATED PROGRAMS**

**FINANCIAL SUMMARY**

|  | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|--|------------------------|--------------------------|-----------------------------------|
| Missouri Telehealth Network                          | \$ 628,200             | \$ 419,355               | \$ 840,000                        |
| MOREnet  | 9,848,489              | 10,254,612               | 10,254,612                        |
| University Hospital and Clinics                      | 12,741,393             | 13,185,079               | 13,185,079                        |
| Missouri Rehabilitation Center                       | 9,813,190              | 10,401,691               | 10,401,691                        |
| Missouri Institute of Mental Health                  | 1,784,683              | 1,839,880                | 1,839,880                         |
| Missouri Kidney Program                              | 3,896,271              | 4,016,774                | 4,016,774                         |
| State Historical Society                             | 805,431                | 1,019,561                | 1,519,561                         |
| Spinal Cord Injury Research                          | 400,000                | 400,000                  | 400,000                           |
| State Seminary Investments                           | 2,819,406              | 3,000,000                | 3,000,000                         |
| State Seminary Income on Investments                 | 128,018                | 250,000                  | 250,000                           |
| <b>TOTAL</b>   | <b>\$ 42,865,081</b>   | <b>\$ 44,786,952</b>     | <b>\$ 45,707,597</b>              |
| General Revenue Fund                                 | 38,889,457             | 40,717,597               | 42,057,597                        |
| Spinal Cord Injury Fund                              | 400,000                | 400,000                  | 400,000                           |
| State Seminary Moneys Fund                           | 128,018                | 250,000                  | 250,000                           |
| State Seminary Fund                                  | 2,819,406              | 3,000,000                | 3,000,000                         |
| Healthy Families Trust Fund -<br>Health Care Account | 628,200                | 419,355                  | 0                                 |

**UNIVERSITY OF MISSOURI – RELATED PROGRAMS**

The University of Missouri has administrative responsibility for a range of programs that are related to its institutional mission, but are not a part of the education and general operations: Missouri Telehealth Network, Missouri Research and Education Network (MOREnet), University Hospital and Clinics, Missouri Rehabilitation Center, Missouri Institute of Mental Health, Missouri Kidney Program, State Historical Society, Spinal Cord Injury Research Program, and investments and interest from State Seminary Fund and State Seminary Moneys Fund.

**MISSOURI TELEHEALTH NETWORK**

The Missouri Telehealth Network enhances access to care to people in underserved areas by providing the tools and training necessary for communities to develop and implement successful telehealth programs. The Missouri Telehealth Network consists of 114 sites including 40 Federally Qualified Health Centers (FQHCs), 31 hospitals, a military hospital, nursing home, and home health agency.

**Fiscal Year 2008 Governor's Recommendations**

- \$840,000 for continued operations of the Missouri Telehealth Network.
- (\$419,355) Healthy Families Trust Fund for one-time expenditures.

**MISSOURI RESEARCH AND EDUCATION NETWORK (MOREnet)**

MOREnet operates a shared network infrastructure for elementary and secondary education, higher education, public libraries, state government, and community information networks. This shared network infrastructure includes connections to the Internet and a statewide backbone with hubs to connect each site. MOREnet integrates voice, video, and data transmissions, as well as handles the ever-increasing demand for network capacity to conduct research.

**Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

## **DEPARTMENT OF HIGHER EDUCATION**

### **UNIVERSITY OF MISSOURI – RELATED PROGRAMS (Continued)**

#### **HOSPITAL AND CLINICS**

The University of Missouri-Columbia operates a teaching facility for medical, nursing, and other health care field students. In addition, the facility provides inpatient care, outpatient care, and specialized medical services to both area residents and persons referred from throughout the state. The hospital budget includes costs associated with providing patient care and maintenance of the facility. Instructional and research activity costs are included in the university's general operating budget. The university also operates the Ellis Fischel Cancer Center which provides comprehensive medical treatment, conducts clinical research, and offers education to both health professionals and Missourians at large.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

#### **MISSOURI REHABILITATION CENTER**

The Missouri Rehabilitation Center provides medical treatment for traumatic brain injury, comprehensive rehabilitation services, pulmonary/ventilator rehabilitation, tuberculosis treatment, terminal and acute care, and outpatient services.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

#### **MISSOURI INSTITUTE OF MENTAL HEALTH**

The Missouri Institute of Mental Health, operated by the School of Medicine of the University of Missouri at Columbia, is a mental health research and teaching institute that provides educational and staff support to the Department of Mental Health. The Institute researches the basic causes of mental illness and methods for improved patient care and operates training programs for mental health professionals.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

#### **MISSOURI KIDNEY PROGRAM**

The Missouri Kidney Program enables Missourians with end-stage renal disease to obtain treatment. The program contracts with federally approved dialysis centers and facilities and pays those costs of dialysis or kidney transplantation not paid by other sources such as Medicare, Medicaid, and private insurance. Patients' drugs, transportation expenses, and medical bills are paid by the program, along with the needed medical equipment and supply costs.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

#### **STATE HISTORICAL SOCIETY**

The State Historical Society of Missouri is directed by statute to collect, preserve, publish, and make accessible those materials that pertain to the history of Missouri and western America. The staff conducts research projects, publishes the quarterly Missouri Historical Review, and produces other publications.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$500,000 for increased funding for the State Historical Society.

## **DEPARTMENT OF HIGHER EDUCATION**

### **UNIVERSITY OF MISSOURI – RELATED PROGRAMS (Continued)**

#### **SPINAL CORD INJURY RESEARCH**

The program funds research that will advance knowledge concerning spinal cord injuries and congenital or acquired disease processes. Research awards are made by an advisory board to researchers in public or private educational, health care, and research institutions and other voluntary health associations. Funds for this research come from fees assessed to individuals who are convicted of intoxication-related offenses, as well as surcharges from all criminal cases including violations of any county ordinance or any violation of criminal or traffic laws of this state.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

#### **STATE SEMINARY FUND INVESTMENTS AND INTEREST ON INVESTMENTS**

The State Seminary Fund consists of the proceeds of the sale of land donated to the state, proceeds from a direct tax received from the United States, the James S. Rollins Scholarship Fund, and others. Income from the State Seminary Moneys Fund is given to the University of Missouri as required by Article IX, Section 6 of the Missouri Constitution, and by Section 172.610, RSMo.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

# DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

## FINANCIAL SUMMARY

|   | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | FY 2008<br>REQUEST | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|---|------------------------|--------------------------|--------------------|-----------------------------------|
| Insurance                                 |                        |                          |                    |                                   |
| Administration and Insurance Operations   | \$ 4,551,227           | \$ 5,558,972             | \$ 5,810,560       | \$ 5,961,657                      |
| Information Technology Consolidation      | 931,250                | 0                        | 0                  | 0                                 |
| Market Conduct and Financial Examinations | 5,808,990              | 7,279,720                | 7,279,720          | 7,441,258                         |
| Health Insurance Counseling               | 758,594                | 800,000                  | 800,000            | 800,000                           |
| Financial Institutions                    |                        |                          |                    |                                   |
| Credit Unions                             | 905,759                | 1,203,687                | 1,203,687          | 1,235,154                         |
| Finance                                   | 5,052,625              | 6,146,439                | 6,146,439          | 6,305,277                         |
| Professional Registration                 | 10,657,859             | 13,642,286               | 13,642,286         | 13,890,120                        |
| DEPARTMENTAL TOTAL                        | \$ 28,666,304          | \$ 34,631,104            | \$ 34,882,692      | \$ 35,633,466                     |
| Federal Funds                             | 558,594                | 600,000                  | 600,000            | 600,000                           |
| Other Funds                               | 28,107,710             | 34,031,104               | 34,282,692         | 35,033,466                        |
| Full-time equivalent employees *          | 518.63                 | 523.65                   | 528.65             | 527.65                            |

\* Amounts reflect the transfer of the Divisions of Credit Unions, Finance, and Professional Registration into the new department.

## DEPARTMENT SUMMARY

Governor Blunt's Fiscal Year 2008 budget provides a total of \$35.6 million for the Department of Insurance, Financial Institutions and Professional Registration. Governor Blunt created the Missouri Department of Insurance, Financial Institutions and Professional Registration by Executive Order on August 28, 2006. The new department consists of the former Department of Insurance and the Divisions of Finance, Credit Unions, and Professional Registration formerly within the Department of Economic Development. The department protects consumers through oversight of the insurance industry, financial institutions, and licensed professionals.

### INSURANCE

Administration and Insurance Operations – Insurance staff are responsible for overseeing the insurance industry's compliance with Missouri insurance laws and regulations, and protecting the interests of Missouri insurance-buying consumers. Specific duties include licensing insurance producers (agents, brokers, and agencies), investigating consumer complaints, collecting over \$175 million in premium taxes paid by insurance companies, and providing information to over 40,000 consumers each year through a statewide toll-free hotline and the department's website.

With the creation of the new Department of Insurance, Financial Institutions and Professional Registration, certain administrative functions will be centralized to provide more efficient services. Insurance staff will provide functions such as policy development, legislative coordination, communications (public information), research and accounting, centrally with the costs allocated based on usage to the appropriate divisions within the department.

Market Conduct and Financial Examinations – The department conducts both financial and market conduct examinations. Financial examinations ensure insurance companies have sufficient reserves to pay consumer claims. Market conduct examinations of insurance companies serve to verify that policyholders and beneficiaries receive the full benefits from the contracts by which they and the insurer have agreed.

Health Insurance Counseling – The department contracts with Primaris to administer the CLAIM (Community Leaders Assisting the Insured of Missouri) program. CLAIM provides counseling and educational activities to seniors on health insurance coverage and Medicare benefits. The program recruits sponsors and volunteers, develops and conducts volunteer training, publicizes the program and maintains a toll-free number, 1-800-390-3330, and website, [www.missouriclaim.org](http://www.missouriclaim.org). Volunteers are recruited locally and community organizations such as hospitals, community centers, extension offices or senior centers serve as cosponsors and provide space, supplies, and local publicity for the program.

## **DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION**

### **Fiscal Year 2008 Governor's Recommendations**

- \$65,101 Department of Insurance Dedicated Fund to implement provisions of HB 1837 (2006) by providing greater oversight in the review of medical malpractice rates, supporting the Healthcare Stabilization Fund Feasibility Board and administering the Consumer Restitution Fund.
- \$300,446 other funds for pay plan.
- \$186,487 and five staff transferred from the Department of Economic Development pursuant to Executive Order 6-04.
- \$12,189 transferred from fringe benefits to pay for fringe costs associated with the mailroom consolidation.
- (One) staff core reduction for mailroom consolidation from the Fiscal Year 2007 appropriation level.

### **FINANCIAL INSTITUTIONS**

Credit Unions – The Division of Credit Unions is responsible for the examination, supervision, chartering, merger, and liquidation of Missouri's 151 state-chartered credit unions. The division also responds to consumer complaints against credit union services or operations. Missouri credit unions have approximately 1.2 million members and assets exceeding \$8.7 billion. Missouri ranks seventh in the nation in the number of state-chartered credit unions.

Finance – The Division of Finance is responsible for the incorporation and regulation of Missouri's 298 state-chartered banks, non-deposit trust companies, and savings and loan associations. The division also licenses and regulates consumer credit companies, credit services organizations, money order companies, and residential mortgage brokers. Primary objectives include ensuring the safety and soundness of these institutions and the monitoring of compliance with laws and regulations, thereby safeguarding the funds of depositors and maintaining public confidence in Missouri's financial system. Missouri ranks fifth in the nation in the number of state-chartered banks.

### **Fiscal Year 2008 Governor's Recommendations**

- \$190,305 other funds for pay plan.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION  
PROFESSIONAL REGISTRATION**

**FINANCIAL SUMMARY**

|  | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|--|------------------------|--------------------------|-----------------------------------|
| Administration   | \$ 3,388,793           | \$ 3,984,609             | \$ 4,070,681                      |
| State Board of Accountancy   | 386,606                | 443,588                  | 451,476                           |
| State Board of Architects, Professional Engineers,<br>and Land Surveyors | 462,621                | 748,868                  | 759,495                           |
| State Board of Chiropractic Examiners                                    | 118,481                | 149,567                  | 149,567                           |
| Missouri Dental Board  | 462,045                | 613,645                  | 624,168                           |
| State Board of Embalmers and Funeral Directors                           | 64,667                 | 145,393                  | 145,393                           |
| State Board of Registration for the Healing Arts                         | 2,174,699              | 2,461,803                | 2,512,572                         |
| State Board of Nursing   | 1,217,265              | 1,903,757                | 1,933,045                         |
| State Board of Optometry   | 37,962                 | 42,043                   | 42,043                            |
| State Board of Pharmacy  | 1,194,598              | 1,539,453                | 1,566,035                         |
| State Board of Podiatric Medicine  | 12,965                 | 20,669                   | 20,669                            |
| Missouri Real Estate Commission  | 859,913                | 1,187,039                | 1,213,124                         |
| Missouri Veterinary Medical Board  | 51,033                 | 109,579                  | 109,579                           |
| State Board of Cosmetology and Barbers                                   | 0                      | 292,273                  | 292,273                           |
| State Board of Barber Examiners  | 36,767                 | 0                        | 0                                 |
| State Board of Cosmetology   | 189,444                | 0                        | 0                                 |
| TOTAL  | \$ 10,657,859          | \$ 13,642,286            | \$ 13,890,120                     |
| Board Funds  | 7,269,066              | 9,657,677                | 9,819,439                         |
| Professional Registration Fees Fund                                      | 3,388,793              | 3,984,609                | 4,070,681                         |
| Full-time equivalent employees   | 217.49                 | 212.50                   | 212.50                            |

**PROFESSIONAL REGISTRATION**

The Division of Professional Registration is responsible for supporting 38 professional licensing boards and commissions in licensing and regulating the activities of over 400,000 Missourians representing 240 different trades and professions. The division serves and protects the public by providing an accessible, responsible, and accountable regulatory system to ensure that Missouri consumers benefit from competent practitioners. Each licensing entity licenses qualified professionals by ensuring that minimum requirements have been met. In addition, each entity must also appropriately enforce standards through the inspection of facilities and the investigation of complaints.

**Fiscal Year 2008 Governor's Recommendations**

**ADMINISTRATION**

- \$86,072 Professional Registration Fees Fund for pay plan.

**STATE BOARD OF ACCOUNTANCY**

- \$7,888 Board of Accountancy Fund for pay plan.

**STATE BOARD OF ARCHITECTS, PROFESSIONAL ENGINEERS, AND LAND SURVEYORS**

- \$10,627 State Board of Architects, Engineers, and Land Surveyors Fund for pay plan.

**STATE BOARD OF CHIROPRACTIC EXAMINERS**

Continue funding at the current level.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION**

**PROFESSIONAL REGISTRATION (CONTINUED)**

**MISSOURI DENTAL BOARD**

- \$10,523 Dental Board Fund for pay plan.

**STATE BOARD OF EMBALMERS AND FUNERAL DIRECTORS**

Continue funding at the current level.

**STATE BOARD OF REGISTRATION FOR THE HEALING ARTS**

- \$50,769 Board of Registration for Healing Arts Fund for pay plan.

**STATE BOARD OF NURSING**

- \$29,288 Board of Nursing Fund for pay plan.

**STATE BOARD OF OPTOMETRY**

Continue funding at the current level.

**STATE BOARD OF PHARMACY**

- \$26,582 Board of Pharmacy Fund for pay plan.

**STATE BOARD OF PODIATRIC MEDICINE**

Continue funding at the current level.

**MISSOURI REAL ESTATE COMMISSION**

- \$26,085 Missouri Real Estate Commission Fund for pay plan.

**MISSOURI VETERINARY MEDICAL BOARD**

Continue funding at the current level.

**STATE BOARD OF COSMETOLOGY AND BARBERS**

Continue funding at the current level.



# DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

## FINANCIAL SUMMARY

|  | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | FY 2008<br>REQUEST    | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|--|------------------------|--------------------------|-----------------------|-----------------------------------|
| Department Administration                    | \$ 11,290,171          | \$ 12,871,435            | \$ 11,655,776         | \$ 11,800,537                     |
| Information Technology Consolidation         | 1,357,864              | 0                        | 0                     | 0                                 |
| Labor and Industrial Relations Commission    | 768,683                | 986,238                  | 986,238               | 1,011,399                         |
| Division of Labor Standards                  | 1,645,058              | 2,823,853                | 3,066,383             | 3,135,658                         |
| Division of Workers' Compensation            | 78,794,501             | 79,606,643               | 79,174,075            | 79,304,374                        |
| Division of Employment Security              | 45,614,064             | 55,474,470               | 47,504,063            | 48,268,822                        |
| State Board of Mediation                     | 52,544                 | 0                        | 0                     | 0                                 |
| Commission on Human Rights                   | 1,635,467              | 1,659,938                | 1,659,938             | 1,704,683                         |
| <b>DEPARTMENTAL TOTAL</b>                    | <b>\$ 141,158,352</b>  | <b>\$ 153,422,577</b>    | <b>\$ 144,046,473</b> | <b>\$ 145,225,473</b>             |
| General Revenue Fund                         | 2,404,167              | 2,462,141                | 2,482,728             | 2,514,130                         |
| Federal Funds                                | 42,974,397             | 55,793,665               | 51,985,891            | 52,941,570                        |
| Tort Victims' Compensation Fund              | 100,001                | 105,000                  | 105,000               | 105,000                           |
| Workers' Compensation Fund                   | 10,522,799             | 11,496,639               | 11,336,702            | 11,504,540                        |
| Second Injury Fund                           | 62,384,654             | 60,506,625               | 60,506,625            | 60,506,625                        |
| Crime Victims' Compensation Fund             | 5,468,704              | 7,441,934                | 7,448,251             | 7,458,065                         |
| War on Terror Unemployment Compensation Fund | 0                      | 0                        | 1,354,764             | 1,354,764                         |
| Child Labor Enforcement Fund                 | 40,411                 | 185,000                  | 185,000               | 185,000                           |
| Special Employment Security Bond             |                        |                          |                       |                                   |
| Proceeds Fund                                | 0                      | 1                        | 1                     | 1                                 |
| Special Employment Security Fund             | 17,263,219             | 15,431,572               | 8,641,511             | 8,655,778                         |
| <b>Full-time equivalent employees</b>        | <b>987.49</b>          | <b>1,049.91</b>          | <b>964.41</b>         | <b>958.41</b>                     |

## DEPARTMENT SUMMARY

Governor Blunt's Fiscal Year 2008 budget provides \$145.2 million for the Department of Labor and Industrial Relations. The department provides services that promote economic security and safe and healthy workplaces, and protect wage earners and individuals against discrimination. The core functions provided by the Department of Labor and Industrial Relations include:

- Processing and awarding payment of compensation to those who are unemployed, injured at work, or victims of crime.
- Assuring safe and healthy workplaces for Missouri employees through on-site inspections that identify hazards to be corrected in the workplace.
- Protecting wage earners and individuals against discrimination by improving workplace conditions and enforcing labor and anti-discrimination laws.

## **DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

### **DEPARTMENT ADMINISTRATION**

The Director's Office provides leadership and supervision in the areas of policy, operation, and interagency coordination/cooperation. Functions centralized within the Director's Office include: administrative services, financial management, human resources, legislative and public relations, research and analysis, and legal services.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$144,761 increased transfer to the Department of Labor and Industrial Relations Administrative Fund for pay plan, including \$9,598 general revenue.
- \$3,561,686 reallocated for realignment of the federal cost allocation plan, including \$236,140 general revenue.
- (\$3,561,686) reallocated for realignment of the federal cost allocation plan, including (\$245,091) general revenue.
- (\$1,215,659) federal and other funds and (two) staff core reduction from the Fiscal Year 2007 appropriation level.
- (Six) staff core reduction for mailroom consolidation from the Fiscal Year 2007 appropriation level.

### **LABOR AND INDUSTRIAL RELATIONS COMMISSION**

The three-member Labor and Industrial Relations Commission reviews all appeals from all decisions and awards in workers' compensation, unemployment compensation, prevailing wage, victims of crime compensation, and tort victims' compensation cases at the highest administrative level. The commission conducts hearings and renders written opinions. The commission's opinions are subject to review by the judiciary. The commission has the responsibility of determining an appropriate bargaining unit of public employees, based on their community of interests and conducts secret ballot elections to determine majority status. The commission is also charged with the statutory authority to approve or disapprove all rules and regulations promulgated by the divisions within the department.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$25,161 for pay plan, including \$1,905 general revenue.
- \$121,081 reallocated for realignment of the federal cost allocation plan, including \$6,368 general revenue.
- (\$121,081) reallocated for realignment of the federal cost allocation plan, including (\$5,877) general revenue.

### **DIVISION OF LABOR STANDARDS**

State statutes require the Division of Labor Standards to assure the safety and health of Missouri workers. To reduce deaths and disabling injuries, staff conduct regular and special on-site inspections of businesses, industries, and commercial mines and caves. To ensure compliance with statutory provisions governing wage rates for public works projects, the division surveys prevailing wage rates for laborers, mechanics, and other workers employed in the construction industry. The division conducts on-site inspections to assure compliance with Missouri's Child Labor Law. Also, the division provides safety and health training classes for mine operators and miners. All miners, whether surface or underground, are required by federal law to complete a minimum number of hours in training before beginning work and annually thereafter. The division provides on-site safety and health consultations to businesses and industrial facilities by qualified professional consultants to identify serious hazards and recommend means for eliminating them. Private employers are not charged for this service. The division performs these consultations upon employer requests.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$69,275 for pay plan, including \$29,512 general revenue.
- \$292,728 Workers' Compensation Fund and six staff reallocated from the Division of Workers' Compensation for the Workers' Safety Program pursuant to Missouri State Government Review Commission recommendation.
- (\$50,198) federal funds and (one) staff core reduction from the Fiscal Year 2007 appropriation level.

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS  
DIVISION OF WORKERS' COMPENSATION**

**FINANCIAL SUMMARY**

|                                       | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|---------------------------------------|------------------------|--------------------------|-----------------------------------|
| Administration                        | \$ 8,192,825           | \$ 9,383,957             | \$ 9,073,148                      |
| Second Injury Benefits                | 62,384,654             | 60,506,625               | 60,506,625                        |
| Crime Victims' Administration         | 272,689                | 416,061                  | 424,601                           |
| Crime Victims' Compensation Benefits  | 7,844,333              | 9,200,000                | 9,200,000                         |
| Tort Victims' Compensation Payments   | 100,000                | 100,000                  | 100,000                           |
| <b>TOTAL</b>                          | <b>\$ 78,794,501</b>   | <b>\$ 79,606,643</b>     | <b>\$ 79,304,374</b>              |
| Federal Funds                         | 2,726,796              | 2,262,671                | 2,262,671                         |
| Tort Victims' Compensation Fund       | 100,001                | 105,000                  | 105,000                           |
| Workers' Compensation Fund            | 8,192,824              | 9,356,493                | 9,046,548                         |
| Second Injury Fund                    | 62,384,654             | 60,506,625               | 60,506,625                        |
| Crime Victims' Compensation Fund      | 5,390,226              | 7,375,854                | 7,383,530                         |
| <b>Full-time equivalent employees</b> | <b>160.80</b>          | <b>177.25</b>            | <b>171.25</b>                     |

**DIVISION OF WORKERS' COMPENSATION - ADMINISTRATION**

The Division of Workers' Compensation processes all reports of job-related injuries and formal claims for compensation filed with the division under the "Missouri Workers' Compensation Law." The division also resolves disputed issues between an employee and employer/insurer through mediation and/or evidentiary hearings conducted by its administrative law judges. The division administers the rehabilitation of seriously injured workers, resolves disputes concerning the reasonableness of medical fees and charges, reviews and approves applications by employers or group trusts for self-insurance authority, and investigates allegations of workers' compensation fraud and noncompliance.

**Fiscal Year 2008 Governor's Recommendations**

- \$121,759 other funds for pay plan.
- (\$292,728) other funds and (six) staff reallocated to realign core budget.
- (\$139,840) other funds core reduction from the Fiscal Year 2007 appropriation level.

**SECOND INJURY FUND**

The Second Injury Fund is designed to compensate an injured employee when a current work-related injury combines with any prior injury that creates an increased combined disability. For example, if an injured employee has a 15 percent disability from the current work-related injury and a 15 percent disability from the prior injury, and the combined disability is 40 percent, the fund pays for the increased disability. The fund is also responsible for payment of medical bills for injured employees when the employer fails to insure its workers' compensation liability. In addition, if the employee is killed, burial expenses and death benefits in the form of weekly payments to the surviving spouse or dependents of the employee are paid from the fund. The fund also provides benefits to injured employees undergoing physical rehabilitation. For injuries taking place after August 28, 1998, the fund also provides second job lost wage benefits.

**Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

**CRIME VICTIMS' ADMINISTRATION**

The Crime Victims' Administration Unit was established to investigate all claims by victims of crime which are filed with the division in order to determine eligibility under the statute and the amount of losses incurred. The unit fulfills these responsibilities by processing and investigating claims and awarding or denying compensation.

**Fiscal Year 2008 Governor's Recommendations**

- \$8,540 Crime Victims' Compensation Fund for pay plan.

## **DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

### **DIVISION OF WORKERS' COMPENSATION (Continued)**

#### **CRIME VICTIMS' COMPENSATION BENEFITS**

The Crime Victims' Compensation Program processes and awards benefits to eligible victims of violent crimes. Crime Victims' Compensation benefits are available to individuals who, through no fault of their own, find themselves victimized by violent crimes. Since benefits are only paid to recover expenditures made or wages lost as a result of their victimization, benefit recipients do not profit from the criminal violation. State funding to pay benefits is derived from a combination of court fees assessed in criminal cases and fines levied against individuals convicted of criminal activity. Federal grant dollars are also awarded based on the state's prior year expenditure for benefits.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

#### **TORT VICTIMS' COMPENSATION PAYMENTS**

The Tort Victims' Compensation Fund provides benefits to individuals who have received a final monetary judgment in a civil case but who have been unable to collect all, or part of, the judgment entered against the defendant. Funding is provided from the Tort Victims' Compensation Fund. The fund's exclusive revenue source is 50 percent of all punitive damage awards entered in civil cases in Missouri. Of this amount, 74 percent is used to pay victims.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS  
DIVISION OF EMPLOYMENT SECURITY**

**FINANCIAL SUMMARY**

|  | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|--|------------------------|--------------------------|-----------------------------------|
| Administration                                     | \$ 23,541,564          | \$ 33,332,958            | \$ 31,458,279                     |
| Special Employment Security Fund                   | 16,873,158             | 15,141,511               | 8,455,778                         |
| War on Terror Unemployment Compensation Program    | 0                      | 0                        | 1,354,764                         |
| Employment and Training Payments                   | 5,199,342              | 7,000,000                | 7,000,000                         |
| Board of Unemployment Fund Financing Bond Proceeds | 0                      | 1                        | 1                                 |
| <b>TOTAL</b>                                       | <b>\$ 45,614,064</b>   | <b>\$ 55,474,470</b>     | <b>\$ 48,268,822</b>              |
| Federal Funds                                      | 28,740,906             | 40,332,958               | 38,458,279                        |
| War on Terror Unemployment Compensation Program    | 0                      | 0                        | 1,354,764                         |
| Special Employment Security Bond Proceeds Fund     | 0                      | 1                        | 1                                 |
| Special Employment Security Fund                   | 16,873,158             | 15,141,511               | 8,455,778                         |
| Full-time equivalent employees                     | 607.63                 | 698.71                   | 616.21                            |

**DIVISION OF EMPLOYMENT SECURITY - ADMINISTRATION**

The Division of Employment Security is responsible for determining employer liability, collecting unemployment compensation taxes from Missouri liable employers, paying unemployment benefits to eligible claimants, maintaining wage records of Missouri workers, and investigating cases involving possible fraud and benefit overpayments.

**Fiscal Year 2008 Governor's Recommendations**

- \$750,492 federal funds for pay plan.
- (\$2,625,171) federal funds and (84) staff core reduction from the Fiscal Year 2007 appropriation level.

**SPECIAL EMPLOYMENT SECURITY FUND**

The Special Employment Security Fund is derived from interest and penalties collected under the provisions of the Missouri Employment Security Law. Expenditures from this fund are made in accordance with Section 288.310, RSMo, which includes refunds of overcollected interest and penalties and administrative expenses of the division not covered by the federal grant. The fund may also be used to acquire suitable office space for the division. Section 288.128, RSMo, provides for federal interest assessments on Title XII advances to the Unemployment Trust Fund to be deposited into this fund until payment to the federal government is made.

**Fiscal Year 2008 Governor's Recommendations**

- \$14,267 Special Employment Security Fund for pay plan.
- (\$6,700,000) Special Employment Security Fund core reduction from the Fiscal Year 2007 appropriation level.

**WAR ON TERROR UNEMPLOYMENT COMPENSATION PROGRAM**

The War on Terror Unemployment Compensation Program provides enhanced unemployment benefits to veterans of the War on Terror who have been dismissed or demoted as a result of being deployed. Benefits are paid out of the War on Terror Unemployment Compensation Fund, which consists of administrative penalties paid by employers found in violation of the statutory provisions.

**Fiscal Year 2008 Governor's Recommendations**

- \$1,354,764 War on Terror Unemployment Compensation Fund and 1.5 staff to provide unemployment benefits to veterans of the War on Terror.

## **DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

### **DIVISION OF EMPLOYMENT SECURITY (Continued)**

#### **EMPLOYMENT AND TRAINING PAYMENTS**

The Division of Employment Security operates employment and training programs authorized and funded by the U.S. Department of Labor as authorized by the North American Free Trade Agreement (NAFTA) and the Trade Adjustment Assistance (TAA) programs. The division contracts with the Division of Workforce Development and others to provide a full range of services. Services include referral to employer job openings, job readiness skills training, referral to classroom or employer training, as well as payment of support services such as transportation, subsistence, and relocation allowances.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

### **BOARD OF UNEMPLOYMENT FUND FINANCING**

The Board of Unemployment Fund Financing has authority to borrow up to \$450 million in credit instruments or financial agreements to fund the Unemployment Compensation Trust Fund in accordance with Sections 288.310, 288.330, and 288.128, RSMo.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

### **MISSOURI COMMISSION ON HUMAN RIGHTS**

The statutory mandate of the Missouri Commission on Human Rights (MCHR) is to prevent and eliminate discrimination as prohibited by the Missouri Human Rights Act. The act requires the MCHR to receive, investigate, and resolve complaints of alleged discrimination in the areas of housing, employment, and public accommodations due to race, color, religion, national origin, ancestry, sex, disability, or age (in employment only) and familial status (in housing only). Through its education and outreach program, the MCHR reduces intergroup conflict and discourages illegal discrimination.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$44,745 for pay plan, including \$19,434 general revenue.

# DEPARTMENT OF MENTAL HEALTH

## FINANCIAL SUMMARY

|  | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | FY 2008<br>REQUEST | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|--|------------------------|--------------------------|--------------------|-----------------------------------|
| Office of the Director   | \$ 39,674,009          | \$ 56,801,982            | \$ 55,372,566      | \$ 52,081,871                     |
| Information Technology   | 9,402,422              | 0                        | 0                  | 0                                 |
| Facility Services  | 0                      | 478,668                  | 0                  | 0                                 |
| Division of Alcohol and Drug Abuse                               | 92,339,462             | 103,099,842              | 123,807,025        | 105,309,798                       |
| Division of Comprehensive Psychiatric Services                   | 353,387,356            | 378,534,197              | 416,402,178        | 388,547,860                       |
| Division of Mental Retardation and<br>Developmental Disabilities | 468,070,971            | 506,097,628              | 595,425,677        | 521,878,747                       |
| DEPARTMENTAL TOTAL   | \$ 962,874,220         | \$ 1,045,012,317         | * \$ 1,191,007,446 | \$ 1,067,818,276                  |
| General Revenue Fund   | 524,314,568            | 554,004,413              | 645,083,229        | 570,676,345                       |
| Federal Funds  | 405,125,432            | 451,928,567              | 506,870,267        | 459,428,398                       |
| Mental Health Intergovernmental Transfer Fund                    | 10,645,148             | 11,000,000               | 8,000,000          | 8,000,000                         |
| Compulsive Gamblers Fund   | 375,362                | 467,235                  | 501,620            | 468,364                           |
| Health Initiatives Fund  | 5,628,216              | 5,850,376                | 5,811,304          | 5,815,894                         |
| Mental Health Earnings Fund                                      | 3,811,294              | 4,043,590                | 4,338,334          | 4,046,504                         |
| Mental Health Housing Trust                                      | 0                      | 773,900                  | 0                  | 0                                 |
| Inmate Revolving Fund  | 369,648                | 640,084                  | 1,070,084          | 1,070,084                         |
| Healthy Families Trust Fund                                      | 0                      | 0                        | 2,325,388          | 2,325,388                         |
| Healthy Families Trust Fund -<br>Health Care Account             | 2,040,168              | 2,052,908                | 0                  | 0                                 |
| Healthy Families Trust Fund -<br>Tobacco Prevention Account      | 300,000                | 300,000                  | 0                  | 0                                 |
| Mental Health Trust Fund   | 10,264,384             | 13,951,244               | 2,751,550          | 2,787,605                         |
| DMH Local Tax Matching Fund                                      | 0                      | 0                        | 14,255,670         | 13,199,694                        |
| Full-time equivalent employees                                   | 9,231.63               | 8,826.27                 | 8,840.97           | 8,826.22                          |

\* Does not include \$14,532,857 recommended in the Fiscal Year 2007 Supplemental Appropriations, including \$9,655,160 general revenue. See the Supplemental section of the Missouri Budget for details regarding the Department of Mental Health supplemental appropriation.

## DEPARTMENT SUMMARY

Governor Blunt's budget for Fiscal Year 2008 provides over \$1 billion for the Department of Mental Health (DMH). The primary focus for the department is to provide effective, consumer-friendly services to Missourians challenged by substance abuse, mental disorders, and developmental disabilities. Core services provided by the Department of Mental Health include:

- Offering prevention, evaluation, treatment, and rehabilitation services for individuals requiring public mental health services. One in four Missouri families is affected by mental illness. While many persons with mental illnesses obtain treatment from private providers, more than 70,000 people a year turn to the Division of Comprehensive Psychiatric Services. The division also operates forensic and sexually violent predator programs that protect the public from clients committed to state custody by the courts.
- Improving the lives of persons with developmental disabilities - individuals who are substantially limited in their ability to function independently. The Division of Mental Retardation and Developmental Disabilities has a commitment to build partnerships that support individuals with developmental disabilities in meeting their own unique needs. This is accomplished through a person-centered planning process designed to provide optimal programs and services, enabling clients to live in the safest, least restrictive setting given their individual needs and capacities.
- Providing substance abuse prevention, education, intervention, and treatment. The Division of Alcohol and Drug Abuse strives to have a positive impact on the problems that are associated with addiction - problems that cost the state's economy in loss productivity, health care expenditures, and crime.

## **DEPARTMENT OF MENTAL HEALTH**

### **OFFICE OF THE DIRECTOR**

The Department of Mental Health establishes policies, standards, and quality outcomes for prevention, education, habilitation, rehabilitation, and treatment for Missourians challenged by mental illness, substance abuse/addiction, and developmental disabilities. The department implements policy and programs through three program divisions -- Alcohol and Drug Abuse, Comprehensive Psychiatric Services, and Mental Retardation and Developmental Disabilities. Services are provided through an array of community-based programs and outpatient clinics, inpatient hospitals, long-term rehabilitation centers, and habilitation centers. The department operates under the advice of a seven-member Mental Health Commission appointed by the Governor.

The Office of the Director implements the plans and policies of the Mental Health Commission and manages the department. The Office of the Deputy Director is in charge of internal audits, quality improvement, deaf services, and houses the Office of Clinical Services for Children, Youth and Families. The Office of Public Affairs and Legislative Liaison disseminates information about mental health programs and services, and reviews state and federal legislation. The Office of General Counsel conducts investigations of abuse and neglect, provides legal representation, conducts administrative hearings, and develops operating rules. The Budget Office develops the annual operating plan and oversees spending. The Office of Administration provides general fiscal support. The Human Resource Unit coordinates department-wide personnel and labor relations functions.

### **Fiscal Year 2008 Governor's Recommendations**

- \$2,765,899 federal funds and 9.85 staff to provide infrastructure funding for developing and implementing a comprehensive state mental health plan through Missouri's Mental Health Transformation – State Incentive grant.
- \$2,500,302 federal funds and one staff to fund the Circle of H.O.P.E grant which develops integrated home and community based services and supports for children and youth with serious emotional disturbances.
- \$2,500,000 for the Missouri Medicaid mental health partnership technology initiative to improve the over-all health care of persons with co-occurring psychiatric and medical illness, including \$1,250,000 general revenue.
- \$500,000 for increased staff training and development in state operated facilities.
- \$134,160 federal funds for the Shelter Plus Care grant which provides rental assistance to the homeless population with serious mental illness in St. Louis County.
- \$706 for a three percent increase in direct care staff salaries.
- \$250,561 for pay plan, including \$199,680 general revenue.
- \$8,281 transferred from fringe benefits to pay for fringe costs associated with the mailroom consolidation.
- (\$8,500,000) federal and other funds and (.75) staff core reduction from the Fiscal Year 2007 appropriation level.
- (\$4,813,535) and (19) staff reallocated to various divisions, including (\$3,042,918) general revenue.
- (\$66,485) and (one) staff transferred to the Office of Administration for statewide consolidation of facility maintenance functions.

### **FACILITY SERVICES**

Responsibility for management of facility related services has been transferred to the Office of Administration. The Facilities Management, Design and Construction Division will be the central point for these services.

### **Fiscal Year 2008 Governor's Recommendations**

- \$29,592 core reallocation from Fulton State Hospital.
- (\$508,260) transferred to the Office of Administration for statewide consolidation of facility maintenance functions.



## **DEPARTMENT OF MENTAL HEALTH**

### **DIVISION OF ALCOHOL AND DRUG ABUSE**

The Division of Alcohol and Drug Abuse has the responsibility of ensuring that treatment and prevention services are accessible to persons with substance abuse and gambling disorders, and those at risk for substance abuse and compulsive gambling. The division achieves these goals through a treatment system of contracted community-based providers and state-operated facilities and contracts for 39 general treatment service programs and 47 Comprehensive Substance Treatment and Rehabilitation programs (CSTAR). The general treatment service programs offer an array of services, including detoxification from drugs and alcohol, outpatient services, and residential support. The CSTAR programs offer comprehensive services through three levels of care based on need and severity of addiction. The division has established 12 CSTAR programs specifically for pregnant women and their children and 14 programs specifically for adolescents. The division's administrative responsibilities include, but are not limited to, fiscal oversight, technical assistance and training, standard setting to ensure quality services, research, public information dissemination, clinical review and service authorization, review and oversight of the division's budget, and program planning and policies for prevention and treatment services. Missouri receives federal funds from the Substance Abuse Prevention and Treatment Block Grant, the Center for Substance Abuse Treatment, the Center for Substance Abuse Prevention, the U.S. Department of Education, and the U.S. Department of Justice, and Office of Juvenile Justice and Delinquency Prevention.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$430,000 Inmate Revolving Fund for the Opportunities to Succeed Program which provides case management services for high need probationers.
- \$214,569 for anticipated caseload increases in the Medicaid program, including \$81,063 general revenue.
- \$153,257 federal funds to address the change in the Medicaid federal participation percentage.
- \$24,240 to fund the medical for employed disabled program, including \$9,158 general revenue.
- \$3,401 for a three percent increase in direct care staff salaries.
- \$153,046 for pay plan, including \$70,693 general revenue.
- \$2,301,312 core reallocation from various divisions, including \$1,730,370 general revenue.
- \$137,813 transferred from the Department of Corrections for substance abuse and treatment services provided through community supervision centers.
- (\$1,169,066) core reduction from the Fiscal Year 2007 appropriation level, including (\$93,586) general revenue.
- (\$38,616) federal funds and (one) staff transferred to the Office of Administration for the statewide consolidation of information technology services.
- (One) staff core reallocation to the Division of Mental Retardation and Developmental Disabilities.

### **DIVISION OF COMPREHENSIVE PSYCHIATRIC SERVICES**

The Division of Comprehensive Psychiatric Services (CPS) is charged with the delivery of psychiatric services to individuals with mental illness throughout the State of Missouri.

Missouri's mental health system is committed to serving four target populations: persons with serious and persistent mental illness, persons suffering from acute psychiatric conditions, children and youth with serious emotional disturbances, and forensic clients. In addition, CPS has identified four priority groups within the target populations: (1) individuals in crisis, (2) people who are homeless, (3) those recently discharged from inpatient care, and (4) substantial users of public funds. These target populations currently constitute the majority of clientele whom the division serves both in inpatient and ambulatory settings.

The division divides Missouri into 25 service areas. Each service area has a community mental health center which provides psychiatric services to individuals in need and is designated as the division's administrative agent. These administrative agents serve as the primary entry and exit point for state mental health services. The agents are responsible for the assessment and services provided to both adults and children in their assigned areas and for providing follow-up services for individuals released from state-operated inpatient hospitals.

## DEPARTMENT OF MENTAL HEALTH

### DIVISION OF COMPREHENSIVE PSYCHIATRIC SERVICES (Continued)

CPS operates eight adult inpatient facilities, one children's psychiatric hospital, and one children's residential center. There are two additional 10-bed children's acute units at two of the adult inpatient facilities. The division also operates and oversees a program for sexually violent predators committed to state custody by the courts.

| Facility   | Total Staffed<br>Beds | Forensic and Corrections<br>Beds |
|--|-----------------------|----------------------------------|
| Fulton State Hospital                                | 471                   | 433                              |
| Northwest Missouri Psychiatric Rehabilitation Center | 108                   | 86                               |
| St. Louis Psychiatric Rehabilitation Center          | 196                   | 169                              |
| Hawthorn Children's Psychiatric Hospital             | 52                    | 0                                |
| Metropolitan St. Louis Psychiatric Center            | 87                    | 0                                |
| Mid-Missouri Mental Health Center                    | 69                    | 0                                |
| Southeast Missouri Mental Health Center              | 158                   | 98                               |
| Western Missouri Mental Health Center                | 148                   | 0                                |
| Missouri Sexual Offender Treatment Center            | 116                   | 0                                |
| Southwest Missouri Psychiatric Rehabilitation Center | 24                    | 0                                |
| Cottonwood Residential Treatment Center              | 32                    | 0                                |
| Total  | 1,461                 | 786                              |

### Fiscal Year 2008 Governor's Recommendations

- \$3,618,738 and 45.5 staff to accommodate population increases within Fulton State Hospital.
- \$1,513,480 and 41.35 staff to accommodate population increases within the Missouri Sexual Offender Treatment Center.
- \$1,199,608 for increased medication cost due to inflation.
- \$830,067 to fund the medical for employed disabled program, including \$313,566 general revenue.
- \$750,000 to develop a pilot of integrated services between Community Health Centers and Federal Qualified Health Centers through a collaborative process for the uninsured.
- \$669,243 federal funds to address the change in the Medicaid federal participation percentage.
- \$602,566 for a three percent increase in direct care staff salaries.
- \$469,272 for anticipated caseload increases in the Medicaid program, including \$177,291 general revenue.
- \$271,248 for increased cost of health care services.
- \$184,325 to fund a \$5 per day residential rate increase for children's residential care providers.
- \$80,000 federal funds to facilitate intensive case management and services to divert released offenders with serious mental health needs from re-entering jails, state prisons, and forensic hospitals.
- \$64,756 for increased food cost.
- \$25,363 to address the increase in Medicaid Part B premiums.
- \$4,353,249 for pay plan, including \$4,181,932 general revenue.
- \$4,019,862 and 63.5 staff reallocated from various divisions, including \$2,860,258 general revenue.
- \$478,889 transferred from fringe benefits to support contracting pharmacy services.
- (\$4,810,368) transferred to the Office of Administration for the statewide consolidation of fuel and utility purchases and facility related service contracts.
- (\$2,235,682) and (40.5) staff core reduction from the Fiscal Year 2007 appropriation level, including (\$976,843) general revenue.
- (\$1,955,721) and (31) staff transferred to the Office of Administration for the statewide consolidation of facility maintenance functions.
- (\$93,886) core reduction for one-time expenditures.
- (\$21,346) transferred to the Office of Administration for the statewide consolidation of information technology services.

### DIVISION OF MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES

The Division of Mental Retardation and Developmental Disabilities (MRDD) operates several facilities and purchases residential, habilitative, and support services for consumers who live in the community and for families who keep their developmentally disabled children at home. This is a key element in the development of an integrated system that enables mentally retarded and developmentally disabled consumers to live as normally and independently as their conditions and behavior permit. Community-based services range from residential placements to support services for persons living with their families or in their own apartments. The Medicaid home and community-based waivers play a major role in the division's community service system. The 11 regional centers are the entry and exit points for consumers. The centers provide screening and diagnostic services for both children and adults, evaluate the need for services and arrange for them, and monitor and assess consumers' progress.

## DEPARTMENT OF MENTAL HEALTH

### DIVISION OF MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES (Continued)

The division provides residential services at the six state habilitation centers. These centers offer training and habilitation for consumers who cannot move into community settings because of the severity of their disabilities or for behavioral reasons. Those who can make the change are eventually moved into community settings, with the goal of integrating them as fully as possible into normal community life. The following table shows the number of beds in the habilitation centers.

| Facility  | Total<br>Staffed Beds<br>(As of July2006) |
|---|---|
| Bellefontaine Habilitation Center                     | 203                                       |
| Higginsville Habilitation Center                      | 119                                       |
| Marshall Habilitation Center                          | 242                                       |
| Nevada Habilitation Center                            | 136                                       |
| St. Louis Developmental Disabilities Treatment Center | 226                                       |
| Southeast Missouri Residential Services               | 85  |
| Habilitation Center Clients in Community Settings     | 90  |
| Total   | 1,101                                     |

### Fiscal Year 2008 Governor's Recommendations

- \$9,387,363 and 24 staff to address staffing ratios at habilitation centers, restore support at Bellefontaine Habilitation Center and cover costs associated with the transition of individuals moving into the community, including \$4,870,080 general revenue.
- \$3,993,696 to fund the medical for employed disabled program, including \$1,508,852 general revenue.
- \$3,900,000 for increased autism resources.
- \$3,705,664 to contract with Senate Bill 40 Boards to develop additional service coordination resources to reduce caseloads, including \$1,400,000 general revenue.
- \$2,000,000 Mental Health Local Tax Matching Fund to support increased deposits of the Targeted Case Management program.
- \$1,511,805 federal funds to address the change in the Medicaid federal participation percentage.
- \$1,326,321 for anticipated caseload increases in the Medicaid program, including \$501,085 general revenue.
- \$1,258,152 for a three percent increase in direct care staff salaries.
- \$300,000 to perform a readiness assessment for accreditation of MRDD providers.
- \$44,777 for increased cost of health care services.
- \$38,915 for increased food cost.
- \$1,477 to address the increase in Medicaid Part B premiums.
- \$3,421,905 for pay plan, including \$2,971,255 general revenue.
- \$40,071 federal funds and one staff core reallocated from various divisions.
- (\$9,324,951) and (20.5) staff core reduction from the Fiscal Year 2007 appropriation level, including (\$2,991,949) general revenue.
- (\$2,919,889) transferred to the Office of Administration for the statewide consolidation of fuel and utility purchases and facility related service contracts.
- (\$1,577,302) and (44.5) staff core reallocated to various divisions.
- (\$1,314,816) and (27) staff transferred to the Office of Administration for the statewide consolidation of facility maintenance functions.
- (\$12,069) transferred to the Office of Administration for the statewide consolidation of information technology services.

# DEPARTMENT OF NATURAL RESOURCES

## FINANCIAL SUMMARY

|   | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | FY 2008<br>REQUEST | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|---|------------------------|--------------------------|--------------------|-----------------------------------|
| Department Operations                                       | \$ 2,626,731           | \$ 5,701,454             | \$ 5,701,454       | \$ 5,855,241                      |
| Information Technology                                      | 7,318,939              | 0                        | 0                  | 0                                 |
| Outreach and Assistance Center                              | 4,066,486              | 0                        | 0                  | 0                                 |
| Energy Center   | 16,148,663             | 9,610,391                | 9,610,391          | 10,228,334                        |
| Environmental Programs                                      | 221,270,786            | 234,491,817              | 235,215,656        | 235,999,228                       |
| Geology and Land Survey                                     | 3,481,184              | 3,525,531                | 3,525,531          | 3,604,254                         |
| Division of State Parks                                     | 32,766,799             | 36,042,170               | 35,895,236         | 36,542,544                        |
| Historic Preservation                                       | 173,697                | 2,748,891                | 3,498,891          | 3,517,843                         |
| Agency-Wide Implementation                                  | 19,492,204             | 31,513,296               | 31,513,296         | 31,547,716                        |
| Environmental Improvement and Energy<br>Resources Authority | 0                      | 1                        | 1                  | 1                                 |
| DEPARTMENTAL TOTAL  | \$ 307,345,489         | \$ 323,633,551           | \$ 324,960,456     | \$ 327,295,161                    |
| General Revenue Fund  | 6,378,607              | 10,047,582               | 11,912,104         | 12,093,469                        |
| Federal Funds   | 34,327,818             | 42,796,822               | 42,793,883         | 43,242,217                        |
| Other Funds   | 266,639,064            | 270,789,147              | 270,254,469        | 271,959,475                       |
| Full-time equivalent employees                              | 1,840.30               | 1,835.44                 | 1,830.44           | 1,828.94                          |

## DEPARTMENT SUMMARY

Governor Blunt's Fiscal Year 2008 budget provides a total of \$327.3 million for the Department of Natural Resources. The department strives to preserve, protect, and enhance Missouri's natural, cultural, and energy resources. The core functions provided by the Department of Natural Resources include:

- Managing Missouri's state parks and cultural and historical resources.
- Protecting Missouri's water resources by enforcing state and federal environmental laws.
- Overseeing environmental programs that improve air quality and safely manage hazardous and solid waste.
- Helping landowners conserve fertile topsoil.
- Investigating the state's geology to determine the character and availability of the state's natural resources.
- Providing centralized assistance on environmental regulation and energy efficiency measures for farmers, builders, and local governments.

## **DEPARTMENT OF NATURAL RESOURCES**

### **DEPARTMENT OPERATIONS**

Department Operations is responsible for the development of statewide environmental and natural resource policies. Department Operations seeks to improve efficiency, drives customer-focused initiatives, ensures public participation in decision making, and attains results positively affecting the quality of water, air, land, energy, and recreational and cultural resources. Department Operations includes the Office of the Director, handles department policy and legal work, and provides communications and administrative support. The Office of the Director manages the department's four divisions, as well as the Energy Center, the Water Resources Center, and the Soil and Water Conservation Program, ensuring that the department meets all its responsibilities, statutory and otherwise. The office represents Missouri before several regional and national organizations and agencies, including the U.S. Environmental Protection Agency and a regional river basin association. Department Operations also includes the department's ombudsman initiative. Physically located throughout the state, the ombudsmen inform the department director and regional directors of emerging problems, issues of policy application consistency that cross the department's programs and regional offices, and provide a mechanism for constituent input and access to the director's office. Also a part of Department Operations, the Division of Administrative Support handles budget development, financial resource allocations, accounting, internal auditing, human resources, procurement, grants management, and general services.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$132,807 for pay plan, including \$26,332 general revenue.
- \$20,980 transferred from fringe benefits to pay for fringe costs associated with the mailroom consolidation, including \$4,390 general revenue.
- (1.5) staff core reduction for mailroom consolidation from the Fiscal Year 2007 appropriation level.

### **ENERGY CENTER**

The Energy Center, the state's designated office for helping Missourians produce and use energy wisely, efficiently, and renewably, fosters and protects the state's environment, resources, and economic prosperity.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$585,600 Petroleum Violation Escrow Fund to support wind energy site assessments, poultry litter energy development, and competitive grants for facilities that store and pump biofuels, such as E-85 and B-20.
- \$32,343 federal and other funds for pay plan.

**DEPARTMENT OF NATURAL RESOURCES  
ENVIRONMENTAL PROGRAMS**

**FINANCIAL SUMMARY**

|                                 | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|---------------------------------|------------------------|--------------------------|-----------------------------------|
| Environmental Quality           | \$ 20,422,693          | \$ 26,064,818            | \$ 26,835,298                     |
| Field Services                  | 12,333,838             | 18,322,464               | 18,520,729                        |
| Inspection/Maintenance          | 796,099                | 1,323,859                | 1,342,164                         |
| Water Resources                 | 1,271,201              | 3,118,730                | 3,274,983                         |
| Soil and Water Conservation     | 39,153,737             | 39,078,606               | 39,139,158                        |
| Environmental Financial Support | 147,293,218            | 146,583,340              | 146,886,896                       |
| <b>TOTAL</b>                    | <b>\$ 221,270,786</b>  | <b>\$ 234,491,817</b>    | <b>\$ 235,999,228</b>             |
| General Revenue Fund            | 3,065,458              | 7,572,074                | 8,816,037                         |
| Federal Funds                   | 19,180,410             | 32,850,155               | 33,203,197                        |
| Other Funds                     | 199,024,918            | 194,069,588              | 193,979,994                       |
| Full-time equivalent employees  | 788.59                 | 879.01                   | 879.01                            |

**ENVIRONMENTAL PROGRAMS**

**ENVIRONMENTAL QUALITY**

Water Protection Program – The division's Water Protection Program includes three branches--the Water Pollution Branch, the Drinking Water Branch, and the Financial Assistance Center. The Water Pollution Branch protects the quality of Missouri's groundwater, streams, and lakes, safeguarding these vital resources. This enhances agricultural production, forestry, fisheries, water-intensive manufacturing, water recreation, tourism, hunting, fishing, and human and animal consumption. The Public Drinking Water Branch ensures that all public drinking water systems provide clean and healthy drinking water for Missouri's citizens by ensuring that public water system construction and operation comply with the requirements of the federal Safe Drinking Water Act. The program oversees the proper construction of all wells, including water, oil and gas, exploration, heat pumps, and monitoring wells. The program also trains and certifies operators at Missouri's water supply and water treatment plants. The Financial Assistance Center administers the federal Clean Water and Drinking Water State Revolving Fund programs that provide low-interest loans and grants to Missouri communities for the construction of new, and the improvement of existing drinking water supply, wastewater treatment, and stormwater management systems.

Air Pollution Control Program – The Air Pollution Control Program (APCP) staff support the Air Conservation Commission, which develops policies to maintain and enhance the state's air quality for the protection of the public's health. Operating under the Clean Air Act's State Implementation Plans and Rules, the APCP reviews facility construction and operation permits to help ensure ambient air quality. Working with the department's regional office staff, the APCP identifies facilities that are not in compliance prior to pursuing any enforcement action. Collecting air quality and emission inventory data, the APCP provides benchmark data for Missouri air quality monitoring and planning. The APCP helps ensure that ozone levels in the St. Louis area improve and meet federal health-based air standards. Staff also coordinate air pollution control activities with other programs in the division and local air pollution control agencies.

Hazardous Waste Program – State and federal law require oversight of hazardous waste practices from the point of generation through final disposal to ensure the safe and legal handling of such materials. Together with required registration of hazardous waste generators, the program's manifest and quarterly reporting systems enable the program to identify the amount and types of waste generated, stored, containerized, transported off-site, and treated or otherwise disposed. The Hazardous Waste Program (HWP) also addresses abandoned or uncontrolled hazardous waste sites through preliminary assessments, site investigations, feasibility studies, remedial investigations, interim remedial measures, immediate removals, and long-term or final remedial actions. The HWP registers and regulates petroleum underground storage tanks; provides general and technical information concerning the installation, use, and closure of such systems; encourages compliance with underground storage tank law, regulations, and performance standards; and oversees corrective actions taken in response to leaks and other dangerously improper releases. In addition, the program provides oversight services for those who wish to voluntarily clean up contaminated properties, reviving them for productive use.

Solid Waste Management Program – The Solid Waste Management Program protects public health and the environment by requiring proper management of solid waste. The program encourages waste reduction, reuse, recycling, energy recovery, improved processing, and proper disposal. Implementing alternatives to the long-term storage of our waste will help to safeguard against landfill capacity shortages and will foster better use of our natural resources, including the otherwise productive land taken up to store our trash. Effectively regulating solid waste transportation, treatment, and storage through the implementation of solid waste management plans will help to minimize harmful land, water, and air pollution.

## DEPARTMENT OF NATURAL RESOURCES

### ENVIRONMENTAL PROGRAMS (Continued)

Land Reclamation Program – The Land Reclamation Program staff provide technical support for the Land Reclamation Commission. The commission regulates the surface mining of coal and other mineral commodities (such as barite, tar sands, clay, limestone, sand, and gravel) and provides for the reclamation of mined lands. Staff review mining and reclamation plans, issue permits that require security bonds to guarantee the reclamation of mined lands, and inspect sites to ensure reclamation performance. Program staff inventory and assess abandoned mined lands for health and pollution hazards to prioritize the reclamation of these abandoned areas.

#### Fiscal Year 2008 Governor's Recommendations

- \$550,511 for pay plan, including \$10,939 general revenue.
- \$219,969 federal and other funds and three staff reallocated from the Field Services Division.

### FIELD SERVICES

The Field Services Division supports the implementation of the department's environmental services throughout the State of Missouri. To protect the state's publicly and economically valuable air, land and water resources, the division's front-line staff provide consistent, efficient delivery of services where Missourians live and work through timely compliance assistance, inspection, on-site visits to permitted facilities, permit issuance, environmental emergency response, sampling and sample analysis, and the investigation of reported environmental complaints.

#### Fiscal Year 2008 Governor's Recommendations

- \$1,122,463 and 20 staff in lieu of current federal and other funding for environmental emergency response services.
- \$156,657 Safe Drinking Water Fund to pay for the additional costs of meeting increased federal drinking water testing requirements.
- \$386,641 for pay plan, including \$90,579 general revenue.
- (\$1,122,463) federal and other funds and (20) staff core reduction from the Fiscal Year 2007 appropriation level.
- (\$345,033) and (six) staff reallocated to other environmental programs, including (\$125,064) general revenue.

### INSPECTION/MAINTENANCE

The department's vehicle emission inspection program is part of Missouri's continuing efforts to improve the air quality in the St. Louis area. As a result of SB 583 (2006) being signed into law, beginning September 1, 2007, the centralized vehicle emission inspection program in St. Louis will become decentralized. Currently there are 12 high-volume, test-only stations managed by one contractor. The statute creates the opportunity to develop a significant number of low-volume, test-only, and test-and-repair stations operated by licensed businesses, with one or more contractors providing the testing equipment and data collection systems that would be used at the new locations. Motorists could then choose to stop at just one shop for both safety and emissions inspections.

#### Fiscal Year 2008 Governor's Recommendations

- \$18,305 Missouri Air Emission Reduction Fund for pay plan.

### WATER RESOURCES

Program hydrologists and geologists investigate and monitor surface water and groundwater resource characteristics, availability, and use to meet Missouri's comprehensive water needs. Staff operate a statewide groundwater aquifer-monitoring network with real-time water quantity data. Staff also collect and analyze surface-water flow data to safeguard against flood and drought. With the completion of Phase I and II of the State Water Plan, the program begins the statewide assessment of individual watersheds serving Missouri's communities and the state as a whole. Water Resources also administers the provisions of the Missouri Dam and Reservoir Safety Law. The department regulates all nonfederal, nonagricultural dams 35 feet and higher through registration, construction permits, and inspections. The program also defends the state's vital water resource interests, including those related to river transport, before numerous interstate and interagency river basin associations.

#### Fiscal Year 2008 Governor's Recommendations

- \$39,130 for pay plan, including \$27,923 general revenue.
- \$125,064 and three staff reallocated from the Field Services Division.
- (\$7,941) for one-time expenditures.

## **DEPARTMENT OF NATURAL RESOURCES**

### **ENVIRONMENTAL PROGRAMS (Continued)**

#### **SOIL AND WATER CONSERVATION**

The Soil and Water Conservation Program implements the policies of the Soil and Water Districts Commission to ensure the long-term productivity of Missouri's most basic resource, the soil. Departmental staff aid Missouri's local soil and water conservation districts and administer several soil conservation programs funded by one-half of the one-tenth of one percent dedicated sales tax renewed by Missouri voters in August 2006. Soil and Water Sales Tax funded programs include: cost-sharing grants for up to 75 percent of farmers' costs to implement approved soil conservation practices; loan interest payment assistance for landowners on loans expended for approved conservation practices and equipment; grants to local districts for administrative expenses and technical assistance; special incentives for intensive conservation measures in critical areas; soil survey mapping efforts; and grants for research on soil conservation problems.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$60,552 Soil and Water Sales Tax Fund for pay plan.

#### **ENVIRONMENTAL FINANCIAL SUPPORT**

The department administers a variety of funds for local governments and others to combat air pollution, clean up abandoned and uncontrolled hazardous waste sites, reclaim abandoned mine lands, monitor and test drinking water supplies, and construct or improve water and wastewater facilities.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$303,556 Safe Drinking Water Fund to pay for the additional costs of meeting increased federal drinking water testing requirements.

### **GEOLOGY AND LAND SURVEY**

Headquartered in Rolla, Missouri, the Division of Geology and Land Survey investigates the state's geology, providing geologic and hydrologic information and expertise to aid economic and environmental decision-making regarding site remediations, contaminant migration, subsurface investigations and geologic hazards. The division also determines the character and availability of the state's water and mineral resources. The division is responsible for restoring and maintaining the U. S. Public Land Survey System in Missouri and serves as a repository for the state's land survey records. Division management represents the state through the Association of American State Geologists and Central U.S. Earthquake Consortium.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$78,723 for pay plan, including \$21,202 general revenue.

### **DIVISION OF STATE PARKS**

The Division of State Parks manages the many recreational, cultural, and historical resources of the Missouri state parks system. The division also administers programs to promote outdoor recreation statewide.

Missouri's state parks system consists of 83 state parks and historic sites, as well as the Roger Pryor Pioneer Backcountry. The system is divided into three field district offices, with each of the district headquarters reporting to the Central Office in Jefferson City. Administrative, maintenance, and service personnel manage the lands and improvements, provide recreational and educational programs for visitors, and provide necessary law enforcement. Funding provided by the one-tenth of one percent Parks and Soils Sales Tax has been used for projects such as campground remodeling; the addition of shower houses and restrooms; paving of roads within campgrounds; restoration of landscapes; and additional personnel for maintenance, education, and site interpretation. The Parks and Soils Sales Tax provides continued restoration and improvement of the state parks system and allows division staff to better serve the millions of people who visit parks and historic sites each year.

Central Office administration directs and coordinates the management of the state parks system. Responsibilities include personnel management, budget and policy development, and the evaluation of management procedures and performance. Central Office staff provide logistical support to the individual state parks, and operate the central sign shop, central warehouse, and aerial device unit. Staff also identify unique natural areas which may require protection; conduct special studies related to parks operations and development; and prepare site, architectural, and engineering plans and maps.



## **DEPARTMENT OF NATURAL RESOURCES**

### **DIVISION OF STATE PARKS (Continued)**

The division assists the State Inter-Agency Council for Outdoor Recreation in the administration of grants that finance outdoor recreation projects.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$647,308 federal and other funds for pay plan.
- (\$146,934) Parks Sales Tax Fund and (five) staff core reduction from the Fiscal Year 2007 appropriation level.

### **HISTORIC PRESERVATION**

The State Historic Preservation Office helps identify and preserve historic properties and cultural resources throughout the state, administers grants and loans to support preservation efforts, and provides technical assistance to taxpayers in qualifying for historic preservation tax credits.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$750,000 transferred to the Historic Preservation Revolving Fund, pursuant to Section 143.183, RSMo.
- \$18,952 federal and other funds for pay plan.

### **AGENCY-WIDE IMPLEMENTATION**

A number of issues are multi-faceted and require resources and expertise from several divisions within the Department of Natural Resources. To deal effectively with these issues, the department consolidated these operations agency wide.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$34,420 federal and other funds for pay plan.

### **ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY**

The Environmental Improvement and Energy Resources Authority, under Chapter 260, RSMo, is an independent, self-supporting, quasi-governmental agency assigned to the Missouri Department of Natural Resources.

Due to the special independent status as "a body corporate and politic," the authority is able to issue tax-exempt bonds and utilize fees charged for issuance of its bonds and notes. The authority is empowered to conduct environmental and energy research and development activities; develop alternative methods of financing environmental and energy projects; and assist Missouri communities, organizations, and businesses in obtaining low-cost funds and other financial assistance for projects related to the authority purpose.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

# OFFICE OF ADMINISTRATION

## FINANCIAL SUMMARY

|   | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | FY 2008<br>REQUEST    | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|---|------------------------|--------------------------|-----------------------|-----------------------------------|
| Commissioner's Office   | \$ 1,188,779           | \$ 1,291,299             | \$ 1,354,687          | \$ 1,388,698                      |
| Division of Accounting  | 2,136,684              | 2,280,247                | 2,364,581             | 2,429,612                         |
| Division of Budget and Planning                               | 1,578,283              | 1,768,801                | 1,772,800             | 1,821,317                         |
| Division of Information Services                              | 7,507,699              | 150,454,522              | 197,195,065           | 157,337,456                       |
| Division of Design and Construction                           | 750,194                | 0                        | 0                     | 0                                 |
| Division of Personnel   | 2,455,108              | 2,326,838                | 2,651,228             | 2,718,298                         |
| Division of Purchasing and Materials management               | 4,500,545              | 4,111,687                | 4,135,479             | 4,204,890                         |
| Division of Facilities Management, Design<br>and Construction | 20,722,634             | 25,000                   | 25,000                | 25,000                            |
| Division of General Services                                  | 1,002,480              | 7,737,648                | 13,162,648            | 10,820,205                        |
| Assigned Programs   | 7,497,119              | 6,307,897                | 6,307,897             | 6,374,984                         |
| Debt and Related Obligations                                  | 52,976,228             | 88,000,895               | 95,749,769            | 95,404,863                        |
| Administrative Disbursements                                  | 81,690,692             | 11,574,328               | 7,795,006             | 7,795,006                         |
| <b>TOTAL</b>  | <b>\$ 184,006,445</b>  | <b>\$ 275,879,162</b>    | <b>\$ 332,514,160</b> | <b>\$ 290,320,329</b>             |
| General Revenue Fund  | 162,794,441            | 170,700,804              | 179,194,690           | 179,081,505                       |
| Federal Funds   | 6,226,469              | 76,306,928               | 74,487,573            | 74,978,156                        |
| Other Funds   | 14,985,535             | 28,871,430               | 78,831,897            | 36,260,668                        |
| <b>Full-time equivalent employees</b>                         | <b>766.48</b>          | <b>1,833.05</b>          | <b>2,117.46</b>       | <b>2,114.46</b>                   |

## DEPARTMENT SUMMARY

Governor Blunt's Fiscal Year 2008 budget provides a total of \$290.3 million for the Office of Administration. The Office of Administration provides services for all state agencies and serves as the state's administrative office. The core functions provided by the Office of Administration include:

- Administering budget and accounting activities for the state.
- Administering the human resources system.
- Coordinating data processing and telecommunications for state agencies.
- Providing and maintaining office and other space for governmental operations.
- Procuring supplies, equipment, and services for state agencies.
- Managing the state transportation fleet.

## **OFFICE OF ADMINISTRATION**

### **COMMISSIONER'S OFFICE**

The Commissioner directs the one agency that provides central services and support to all other agencies of state government. These services include accounting, budget and planning, information technology services, asset management, personnel, purchasing and materials management, and general services.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$34,011 for pay plan.
- \$34,000 for the Office of Supplier and Workforce Diversity initiatives.
- \$29,388 transferred from the Department of Corrections.
- Two staff reallocated from the Division of Facilities Management, Design and Construction.
- (0.1) staff core reduction from the Fiscal Year 2007 appropriation level.

### **DIVISION OF ACCOUNTING**

The Division of Accounting maintains all financial records for state appropriations and funds, processes payments, controls production of warrants, and distributes checks. The division also issues warrants to the State Treasurer for expenditures; maintains computerized accounting, payroll, and check writing systems; and administers the Social Security Act for the state and political subdivisions. The division also provides financial data to executive and legislative officials.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$65,031 for pay plan.
- \$57,744 transferred from the Department of Corrections.
- \$30,580 for the reclassification of Accounting Analysts to Accounting Specialists.
- Two staff reallocated from the Division of Facilities Management, Design and Construction.
- (\$3,990) core reduction for one-time expenditures.

### **DIVISION OF BUDGET AND PLANNING**

The Division of Budget and Planning analyzes state government programs and provides recommendations and information to the Governor, General Assembly, and state agencies regarding fiscal and other policies. The division prepares the budget instructions, reviews agency budget requests, prepares the annual executive budget, analyzes economic and demographic conditions, forecasts state revenues, and conducts technical policy and program analysis. To assist in state government management, the division controls appropriation allotments, manages the automated state budget system, prepares legislative fiscal notes, analyzes and develops policy options, and reviews federal issues and their impact on Missouri. The division prepares population estimates and projections required by state and local agencies and is Missouri's liaison to the United States Bureau of the Census.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$48,517 for pay plan.
- \$4,000 for census redistricting preparation.
- (\$1) core reduction from the Fiscal Year 2007 appropriation level.

### **INFORMATION TECHNOLOGY SERVICES DIVISION**

The Information Technology Services Division provides mainframe computer processing services to all state agencies through the consolidated State Data Center. The state's telecommunication services are managed by the division, and those services are provided to state agencies. The division also provides Internet services, information technology education services, and network support to all state agencies. Governor Blunt ordered that management of state information technology resources be consolidated under the Office of Administration.

## **OFFICE OF ADMINISTRATION**

### **INFORMATION TECHNOLOGY SERVICES DIVISION (Continued)**

In Fiscal Year 2007, the scope of IT Consolidation was expanded to transfer information technology (IT) budgets from agencies to the Information Technology Services Division. IT budgets from the Departments of Agriculture; Corrections; Economic Development; Elementary and Secondary Education; Health and Senior Services; Board of Higher Education; Insurance, Financial Institutions and Professional Registration; Labor and Industrial Relations; Revenue; and Social Services were consolidated into the Information Technology Services Division.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$7,169,915 Department of Revenue Information Fund to replace outdated Department of Revenue motor vehicle and driver's license computer systems with one integrated system.
- \$1,650,000 for the Department of Corrections network upgrade.
- \$1,500,000 for Next-Generation network equipment upgrades.
- \$266,700 for the Department of Corrections, Probation and Parole wireless mobility.
- \$139,360 for the Department of Health and Senior Services Missouri Health Strategic Architectural and Information Cooperative (MOHSAIC) support.
- \$83,766 for the Department of Agriculture, Division of Weights and Measures laptops and software.
- \$53,880 for the Department of Public Safety, Veteran's Commission software.
- \$1,472,476 for pay plan, including \$754,678 general revenue.
- \$533,230 and 1.2 staff transferred from various departments, including \$436,116 general revenue.
- (\$4,239,625) core reduction for one-time expenditures, including (\$4,200,000) general revenue.
- (\$1,296,986) Information Technology Federal Fund reallocated to the Department of Labor and Industrial Relations Administrative Fund.
- (\$244,176) and (five) staff transferred to the Department of Social Services, including (\$99,673) general revenue.
- (\$200,000) Office of Administration Information Technology Federal and Other Fund transferred to the Department of Corrections.
- (\$5,606) transferred to the Department of Social Services.

### **DIVISION OF PERSONNEL**

The Division of Personnel provides central human resource management programs and services to all executive branch departments in compliance with the State Personnel Law and the principles of sound human resource management. Responsibilities include operation of the Missouri Merit System, position classification and compensation management, supervisory and management training, coordination of labor relations, and providing management expertise and other services to assist agencies.

The Personnel Advisory Board sets rules and regulations for the Merit System, approves classifications and pay plans, conducts appeal hearings for applicants and employees, and advises the Division of Personnel and the Governor on human resource administration.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$183,388 and one staff for exam development.
- \$105,596 and 2.5 staff for the Personnel Advisory Board.
- \$67,070 for pay plan.
- \$35,406 for reclassification of support staff.

## **OFFICE OF ADMINISTRATION**

### **DIVISION OF PURCHASING AND MATERIALS MANAGEMENT**

The Division of Purchasing and Materials Management centralizes procurement to save money by purchasing supplies, materials, and services in larger quantities and encourages competitive bidding and awards on all contracts. All of state government is served except the University of Missouri, Lincoln University, Truman State University, Missouri Department of Transportation, Judiciary, Lottery, and the General Assembly. It encourages the participation of suppliers, including small disadvantaged businesses, in the competitive bid process and ensures compliance with Chapter 34, RSMo. The division also coordinates recycling collection efforts of state agencies and administers the Recycling Products Preference Program. The materials management section recycles property among agencies and sells surplus state equipment through negotiated, sealed bids, and auction sales. Surplus property sales receipts are used to pay the expenses of surplus property sales with the remaining receipts distributed to the appropriate state funds from which the equipment was purchased. This section also administers the Federal Surplus Property Program that distributes donated new and used federal surplus property to eligible entities which include all state agencies, political subdivisions, not-for-profit health and education entities, and service agencies that meet the federal program guidelines.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$48,680 for reclassification of Buyers.
- \$69,411 for pay plan, including \$45,753 general revenue.
- \$41,200 Federal Surplus Property Fund reallocated from the Surplus Property Sale Transfer Fund.
- (\$36,088) Federal Surplus Property Fund and (1.5) staff core reduction from the Fiscal Year 2007 appropriation level.
- (\$30,000) Federal Surplus Property Fund transferred to Real Estate for statewide consolidation of facility services.

### **DIVISION OF FACILITIES MANAGEMENT, DESIGN AND CONSTRUCTION**

The Division of Facilities Management, Design and Construction provides professional asset management services to assist state entities in meeting their facility needs for the benefit of the public. These services include: Real Estate Services, Portfolio Management, Facility Management, Project Management, Construction Management, Contract Management, Facility Condition Assessment, Space Management, Space Standards, Statewide Master Plan, and Energy Management. The mission is to provide a superior workplace environment for state occupants and their visitors, and protect the State's investments in property assets. The goal is to provide agencies with the information and resources that will support their development of high-performance workplaces--workplaces that will meet agencies' business needs and can be readily adapted to changing work practices and strategies. While appropriation authority for the division will appear in the Office of Administration appropriation bill, the funds for purposes of the Executive Budget appear in the Statewide Real Estate appropriations bill.

#### **Fiscal Year 2008 Governor's Recommendations**

- 284 staff transferred from various departments for statewide consolidation of facility related services.
- (14.69) staff core reduction from the State Facilities and Maintenance Operations Fund to realize efficiencies from privatization.
- (Four) staff reallocated to the Commissioner's Office and Accounting for fiscal and human resource administration related to the statewide consolidation of facility services.

### **DIVISION OF GENERAL SERVICES**

The Division of General Services provides agencies with a variety of support services including printing, fleet management, administration of the Legal Expense Fund and the state employee Workers' Compensation Program, vehicle maintenance, mail services, and administration of the Missouri State Employees Charitable Campaign. The Division of General Services provides staff to administer the Missouri Public Entity Risk Management Fund, a liability and property insurance pool for Missouri public entities. In December 2005 the Commissioner of Administration established an interagency committee to evaluate options for improving the efficiency of state agency mail services. This committee, composed of representatives from all executive agencies, worked together over several months and recommended the internal consolidation of mail services using a phased-in approach. All Executive branch agencies except MoDOT, Conservation, Revenue, and Social Services will consolidate into the Office of Administration in Phase I, which is planned for early Fiscal Year 2008. Revenue and Social Services will be added in Phase II, once the initial consolidation has been fully established and is functioning efficiently.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$2,400,000 for statewide fleet vehicle replacement.
- \$625,000 for an optical character reader for mail services.
- \$25,541 for pay plan.
- \$32,016 transferred from fringe benefits to pay for fringe costs associated with the mailroom consolidation.
- 17 staff Revolving Administrative Trust Fund for mailroom consolidation.
- (Three) staff core reduction for mailroom consolidation from the Fiscal Year 2007 appropriation level.

## **OFFICE OF ADMINISTRATION**

### **ASSIGNED PROGRAMS**

#### **ADMINISTRATIVE HEARING COMMISSION**

The Administrative Hearing Commission conducts evidentiary hearings and makes findings of fact and conclusions of law relating to contested cases between private parties and state agencies. The commission's jurisdiction includes, among other things, appeals involving professional licensing matters, tax decisions by the Director of Revenue, Medicaid provider certifications and claims, assessments by the Missouri Ethics Commission, and certain actions by the Highways and Transportation Commission relating to railroads and motor carriers.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$24,726 for pay plan.

#### **OFFICE OF CHILD ADVOCATE**

Pursuant to HB 1453 (2004), the Office of the Child Advocate operates as an independent agency under the Office of the Governor within the Office of Administration. The ombudsman provides families and citizens with an avenue through which they can obtain an independent and impartial review of the decisions and/or actions made by the Department of Social Services Children's Division.

There are three main duties of the advocate's office: 1) provide education to Missouri citizens regarding the child welfare process, including investigation, case management, and the court system; 2) receive and investigate complaints from citizens regarding the child welfare system; and 3) make recommendations on improving the system.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$6,093 for pay plan, including \$4,082 general revenue.

#### **CHILDREN'S TRUST FUND**

The Children's Trust Fund and Children's Trust Fund Board were established to facilitate and fund the development of community-based prevention programs to strengthen families, prevent child abuse and neglect, and to provide public education about the problem of child abuse and its prevention. Activities of the Children's Trust Fund are divided into two broad areas: public education and program development, and funding. Each includes an array of programs to meet the goals of the board.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$5,972 Children's Trust Fund for pay plan.

#### **GOVERNOR'S COUNCIL ON DISABILITY**

The Governor's Council on Disability promotes full participation of the nearly one million Missourians with disabilities in all aspects of community life by educating employers, employees, local and state governments, persons with disabilities, and other interested parties of their rights and responsibilities under the Americans with Disabilities Act, Missouri Human Rights Act, and other disability rights laws.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$4,968 for pay plan.

#### **MISSOURI ETHICS COMMISSION**

The Missouri Ethics Commission is charged with successfully fulfilling the duties and responsibilities described in Chapters 105 and 130, RSMo. These duties and responsibilities include, but are not limited to, the administration of the following: campaign finance disclosure, report review and audit, lobbyist registration, lobbyist report review and audit, personal financial disclosure statement, opinion writing in response to formal requests, investigation of conflict of interest allegations, audit and investigation of complaints, and investigation of alleged code of conduct violations.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$25,328 for pay plan.

## **OFFICE OF ADMINISTRATION**

### **DEBT AND RELATED OBLIGATIONS**

#### **BOARD OF PUBLIC BUILDINGS DEBT SERVICE**

This appropriation is for payment of principal, interest, and reserve requirements on outstanding bonds.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$7,400,236 debt service increase, representing the first year of payments associated with the new women's prison facility in Chillicothe.

#### **LEASE/PURCHASE DEBT SERVICE**

This appropriation is for the payment of principal and interest on outstanding financings.

#### **Fiscal Year 2008 Governor's Recommendations**

- (\$3,500) core reduction to reflect actual debt requirements.

#### **MISSOURI HEALTH AND EDUCATIONAL FACILITIES AUTHORITY DEBT SERVICE**

The Missouri Health and Educational Facilities Authority (MoHEFA) has issued \$39,999,569 in Series A 1989 Missouri College Savings Bonds to fund building projects at the University of Missouri. In November 2001, \$35 million in bonds were issued for the University of Missouri-Columbia Arena Project.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$7,232 for an increase in debt service payment for the bonds issued for the University of Missouri-Columbia Arena Project.

#### **DEBT MANAGEMENT**

This appropriation is for professional assistance with managing the state's \$2.5 billion outstanding debt so that the Office of Administration can monitor the debt and act quickly to take advantage of savings opportunities.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

#### **NEW JOBS TRAINING CERTIFICATES**

Sections 178.892 to 178.896, RSMo, established the New Jobs Training Program. Businesses establishing new jobs in the state can enter into an agreement with a community college district to provide training for new employees. The training is funded from the proceeds of new jobs training certificates issued by community college districts. The debt service on the certificates is payable from the employees' Missouri income tax withholding credits. If the business would sharply decrease or eliminate its operations, funds may not be available to meet debt service costs.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

#### **CONVENTION AND SPORTS COMPLEX PROJECTS**

SB 295 (1989) authorized annual appropriations of state matching funds for convention and sports complex capital projects in certain cities and counties. Ongoing projects include: Jackson County Sports Complex Stadium, \$3,000,000; Bartle Hall, \$2,000,000; and Edward Jones Dome, \$12,000,000.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

## **OFFICE OF ADMINISTRATION**

### **DEBT AND RELATED OBLIGATIONS (Continued)**

#### **BOARD OF UNEMPLOYMENT FUND FINANCING**

HB 1268 (2004) established the Board of Unemployment Fund Financing and authorized them to sell up to \$450 million of credit instruments or enter into financial agreements to provide funds for payments of employment benefits to maintain an adequate fund balance in the Employment Compensation Fund.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

### **ADMINISTRATIVE DISBURSEMENTS**

Acting as the central financial agency for the state, the Office of Administration makes numerous disbursements each year.

#### **CASH MANAGEMENT IMPROVEMENT ACT**

The federal Cash Management Improvement Act of 1990 and 1992 requires that the state pay interest on certain federal grant monies while deposited in the State Treasury. Interest is calculated and paid at the daily equivalent of the annualized 13-week average Treasury Bill Rate.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

#### **AUDIT RECOVERY DISTRIBUTION**

This is a mechanism to allow the distribution of a percentage of monies recovered by the state to the audit firm that recovers the money.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

#### **COUNTY SHERIFF REIMBURSEMENTS**

Should the need arise, this appropriation would be used for payments to county sheriffs for reimbursement of expenses incurred to process applications for concealed carry endorsements or renewals in excess of the maximum fee permitted by law, pursuant to Section 50.535, RSMo.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

#### **STATEWIDE OPERATIONAL MAINTENANCE AND REPAIR TRANSFER**

This section allows for the transfer of general revenue into departmental operating budgets for statewide maintenance and repair appropriations.

#### **Fiscal Year 2008 Governor's Recommendations**

- (\$3,519,322) core reduction from the Fiscal Year 2007 appropriation level. In Fiscal Year 2008, this transfer will be included in HB 18 for statewide Operational and Maintenance Repair projects.



## **OFFICE OF ADMINISTRATION**

### **ADMINISTRATIVE DISBURSEMENTS (Continued)**

#### **BUDGET RESERVE INTEREST**

In the event that the General Revenue Fund borrows money from the Budget Reserve Fund or other funds, general revenue must repay the loan with interest. This mechanism will allow that to happen.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

#### **TRANSFER TO BUDGET RESERVE FUND**

Article IV, Section 27(a), requires a transfer from either general revenue or the Budget Reserve Fund, depending on the balance left in the Budget Reserve Fund at the close of a fiscal year.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

#### **OTHER FUND CORRECTIONS**

A transfer section is needed as a mechanism by which corrections can be made when money is erroneously deposited into the wrong fund.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

#### **FLOOD CONTROL LANDS GRANT**

The Flood Control Lands Grant is a "pass-through" of funds that represents 75 percent of the monies from leases of the land owned by the United States under the Flood Control Act. Sections 12.080 and 12.090, RSMo, prescribe that the funds be used for the benefit of public schools and public roads of the county in which the government land is situated. These funds may also be used for any expenses of the county government, including public obligations of levee and drainage districts for flood control and drainage improvements.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

#### **NATIONAL FOREST RESERVE GRANT**

The National Forest Reserve Grant is a "pass-through" of funds received from the federal government. Sections 12.070 and 12.090, RSMo, provide for 25 percent of all the money received by the National Forest Reserve by the state to be expended for the benefit of public schools and public roads of the county in which the forest reserve is located. Of the total received, 75 percent will be spent for public schools and 25 percent for public roads.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

## **OFFICE OF ADMINISTRATION**

### **ADMINISTRATIVE DISBURSEMENTS (Continued)**

#### **CLARENCE CANNON PAYMENT**

A contract with the U.S. Army Corps of Engineers, developed with the concurrence of the executive and legislative branches, requires that the state pay a share of the cost of water supply storage in Mark Twain Lake on the Salt River in northeastern Missouri. The contract results from a request by the state for the corps to build water supply storage into the Clarence Cannon Dam project to meet water needs of that part of Missouri, which has been chronically short of potable water.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

#### **COUNTY PROSECUTION REIMBURSEMENTS**

The state may provide reimbursement to counties for expenses incurred in the prosecution of crimes within correctional institutions and expenses of trials of capital cases in limited circumstances.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

#### **REGIONAL PLANNING COMMISSIONS**

State financial aid enables local governments, through regional planning commissions, to initiate programs and services identified as important by member governments. State funds are matched by local funds.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

#### **INTERGOVERNMENTAL COOPERATION COMMISSION**

The Intergovernmental Relations Commission is the focal point from which state agencies receive information and recommendations on intergovernmental issues. The Missouri Commission on Intergovernmental Cooperation works closely with the Governor's Federal Fiscal Impact Commission, follows the devolution of federal programs, and studies the effect on state and local governments.

#### **Fiscal Year 2008 Governor's Recommendations**

- (\$250,000) federal funds core reduction from the Fiscal Year 2007 appropriation level.

#### **ELECTED OFFICIALS TRANSITION**

The state provides operating costs for the transition into office of newly elected officials, including the Governor, Lieutenant Governor, Secretary of State, Auditor, Treasurer, and Attorney General.

#### **Fiscal Year 2008 Governor's Recommendations**

- (\$10,000) core reduction for one-time expenditures.

# DEPARTMENT OF PUBLIC SAFETY

## FINANCIAL SUMMARY

|   | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | FY 2008<br>REQUEST | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|---|------------------------|--------------------------|--------------------|-----------------------------------|
| Office of the Director                  | \$ 31,742,281          | \$ 36,117,484            | \$ 37,067,727      | \$ 35,624,253                     |
| Information Technology                  | 1,596,763              | 0                        | 0                  | 0                                 |
| Facility Services                       | 0                      | 6,984,576                | 0                  | 0                                 |
| Capitol Police                          | 1,259,084              | 1,413,426                | 1,449,228          | 1,449,418                         |
| State Highway Patrol                    | 189,869,883            | 228,669,256              | 240,847,362        | 233,419,770                       |
| State Water Patrol                      | 6,869,217              | 7,923,571                | 10,984,919         | 10,100,154                        |
| Division of Alcohol and Tobacco Control | 2,782,070              | 3,248,757                | 3,793,301          | 3,381,524                         |
| Division of Fire Safety                 | 2,836,593              | 3,500,440                | 3,875,124          | 3,513,571                         |
| Missouri Veterans' Commission           | 60,174,646             | 68,837,767               | 75,174,418         | 76,468,713                        |
| Missouri Gaming Commission              | 19,344,541             | 25,128,681               | 24,580,214         | 24,883,493                        |
| Adjutant General                        | 93,086,575             | 38,665,880               | 78,511,286         | 77,660,888                        |
| DEPARTMENTAL TOTAL                      | \$ 409,561,653         | \$ 420,489,838 *         | \$ 476,283,579     | \$ 466,501,784                    |
| General Revenue Fund                    | 69,367,711             | 63,966,596               | 78,752,897         | 73,038,253                        |
| Federal Funds                           | 115,599,813            | 81,482,031               | 114,698,820        | 114,796,386                       |
| Gaming Commission Fund                  | 20,443,410             | 26,387,013               | 25,820,552         | 26,001,644                        |
| Missouri Veterans' Homes Fund           | 31,237,863             | 39,347,466               | 39,347,466         | 40,431,364                        |
| State Highways and Transportation       |                        |                          |                    |                                   |
| Department Fund                         | 142,829,372            | 166,780,962              | 171,283,997        | 166,328,417                       |
| Other Funds                             | 30,083,484             | 42,525,770               | 46,379,847         | 45,905,720                        |
| Full-time equivalent employees          | 4,750.58               | 4,948.76                 | 4,953.26           | 4,927.51                          |

\* Does not include \$1,152,925 in Fiscal Year 2007 Supplemental Appropriations, including \$241,590 general revenue. See the Supplemental section of the Missouri Budget for details regarding the Department of Public Safety supplemental appropriations.

## DEPARTMENT SUMMARY

Governor Blunt's Fiscal Year 2008 budget provides \$466.5 million for the Department of Public Safety. The department provides citizens with round-the-clock service on land, water, and by air. The core functions provided by the Department of Public Safety include:

- Enforcing laws on state roads and waterways.
- Combating the manufacturing and sale of illegal drugs, such as methamphetamine.
- Supporting local law enforcement agencies.
- Assisting victims of crime and crime victim advocacy organizations, such as domestic violence shelters.
- Promoting fire safety.
- Deterring underage consumption of alcohol and tobacco.
- Preparing for and responding to disasters.
- Maintaining National Guard units at a high state of readiness so they are prepared to respond when called to active duty.
- Providing assistance and care for veterans.
- Regulating riverboat gaming.

## **DEPARTMENT OF PUBLIC SAFETY**

### **OFFICE OF THE DIRECTOR/CRIMINAL JUSTICE PROGRAMS UNIT**

The Director's Office provides the central budgeting, finance, and personnel control to ensure efficient use of available resources. Staff members plan, review, and evaluate programs to coordinate the state's public safety and law enforcement efforts and to promote cooperation among local, state, and federal agencies. In addition, the criminal justice unit oversees the implementation of programs relating to juvenile justice, peace officer standards, forensic laboratories, narcotics control, crime victims assistance and Internet sex crime investigation.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$500,000 for grants to local agencies to investigate Internet sex crimes.
- \$500,000 1122 Program Fund to allow law enforcement agencies to purchase equipment from federal contracts.
- \$150,000 Crime Victims' Compensation Fund for maintenance costs of the statewide notification system for orders of protection.
- \$79,000 federal funds and one staff for homeland security duties.
- \$61,000 for Peace Officer Standards and Training Program investigations.
- \$56,526 for pay plan, including \$29,990 general revenue.
- \$116,000 federal funds and two staff reallocated from the Office of the Adjutant General.
- (\$1,612,657) and (one) staff core reductions from the Fiscal Year 2007 appropriation level, including (\$217,657) general revenue.
- (\$342,000) core reduction for one-time expenditures, including (\$250,000) general revenue.
- (\$1,100) federal funds transferred to the Office of Administration for the statewide consolidation of information technology services.

### **FACILITY SERVICES**

Responsibility for management of facility related services has been transferred to the Office of Administration. The Facilities Management, Design and Construction Division will be the central point for these services.

#### **Fiscal Year 2008 Governor's Recommendations**

- (\$6,941,475) transferred to the Office of Administration for the statewide consolidation of fuel and utility purchases and facility related service contracts, including (\$3,014,943) general revenue.
- (\$43,101) reallocated to Missouri Veterans' Commission.

### **CAPITOL POLICE**

The Capitol Police are responsible for security at the Capitol and other facilities occupied by state agencies throughout Jefferson City.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$10,000 for clerical assistance.
- \$39,675 for pay plan.
- (\$13,683) core reduction for one-time expenditures.

**DEPARTMENT OF PUBLIC SAFETY  
HIGHWAY PATROL**

**FINANCIAL SUMMARY**

|  | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|--|------------------------|--------------------------|-----------------------------------|
| Administration                                       | \$ 6,949,860           | \$ 7,778,137             | \$ 7,429,454                      |
| Fringe Benefits                                      | 54,395,269             | 60,206,536               | 61,748,847                        |
| Enforcement  | 80,691,161             | 109,654,593              | 111,062,163                       |
| Crime Laboratory                                     | 5,591,068              | 10,789,613               | 12,032,057                        |
| Law Enforcement Academy                              | 1,716,305              | 2,444,061                | 2,465,004                         |
| Vehicle and Driver Safety                            | 19,139,493             | 10,863,127               | 11,270,361                        |
| Technical Services                                   | 21,386,727             | 26,933,189               | 27,411,884                        |
| DEPARTMENT TOTAL                                     | \$ 189,869,883         | \$ 228,669,256           | \$ 233,419,770                    |
| General Revenue Fund                                 | 22,265,938             | 14,779,118               | 19,609,802                        |
| Federal Funds  | 7,708,458              | 23,322,137               | 21,332,210                        |
| Gaming Commission Fund                               | 1,130,383              | 1,256,455                | 1,262,670                         |
| State Highways and Transportation<br>Department Fund | 142,829,372            | 166,006,956              | 166,328,417                       |
| Other Funds  | 15,935,732             | 23,304,590               | 24,886,671                        |
| Full-time equivalent employees                       | 2,188.72               | 2,178.50                 | 2,188.50                          |

**STATE HIGHWAY PATROL**

**ADMINISTRATION**

This section includes the administrative, planning, fiscal, and support activities of the Highway Patrol.

**Fiscal Year 2008 Governor's Recommendations**

- \$858,764 and nine staff to realign the core budget.
- \$159,526 for pay plan, including \$24,129 general revenue.
- \$12,191 State Highways and Transportation Department Fund transferred from fringe benefits to pay for fringe costs associated with the mailroom consolidation.
- (\$923,306) State Highways and Transportation Department Fund and (11) staff core reduction from the Fiscal Year 2007 appropriation level.
- (\$354,858) State Highways and Transportation Department Fund and (nine) staff transferred to the Office of Administration for statewide consolidation of facility maintenance functions.
- (\$101,000) State Highways and Transportation Department Fund core reduction for one-time expenditures.
- (One) staff core reduction for mailroom consolidation from the Fiscal Year 2007 appropriation level.

**FRINGE BENEFITS**

Employer retirement contributions, health insurance, and workers' compensation insurance for Highway Patrol employees are paid by the state in a separate appropriation made for those purposes. The amount of the retirement payment is determined by the Board of Trustees of the Highway Employees and Highway Patrol Retirement System.

**Fiscal Year 2008 Governor's Recommendations**

- \$1,907,891 for new employee fringe benefits, including \$1,423,846 general revenue.
- \$1,225,869 for fringe benefit increases, including \$79,785 general revenue.
- (\$1,591,449) federal and other funds core reduction from the Fiscal Year 2007 appropriation level.

## **DEPARTMENT OF PUBLIC SAFETY**

### **HIGHWAY PATROL (Continued)**

#### **ENFORCEMENT**

The primary activity of this section is the patrolling of more than 122,000 miles of public roadways to ensure the safe and orderly flow of traffic. The Enforcement Division also performs undercover investigations, assists local law enforcement agencies, provides access to the Missouri Uniform Law Enforcement System, performs criminal background checks, and maintains a statewide system of commercial motor vehicle weigh stations.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$1,090,000 Criminal Record System Fund to implement a two-finger fast ID fingerprint system.
- \$475,000 federal funds for analysis tools, a map generator, and contracted computer consultants to develop an Intranet crash report system.
- \$326,884 and four staff for the Division of Drug and Crime Control and Homeland Security efforts within the Highway Patrol.
- \$307,000 State Highways and Transportation Department Fund to replace emergency information recorders.
- \$306,500 for mandatory aircraft maintenance, including \$58,400 general revenue.
- \$250,000 Criminal Record System Fund for a disaster recovery system for the Automated Fingerprint Identification System (AFIS) database.
- \$217,836 federal funds and six staff for the Missouri Information Analysis Center.
- \$157,296 Criminal Record System Fund and four staff to replace lost federal funds.
- \$110,000 Highway Patrol Motor Vehicle and Aircraft Revolving Fund for fuel and maintenance.
- \$78,000 to realign the core budget.
- \$64,500 Highway Patrol Traffic Records Fund to maintain the reporting equipment and assist in accident investigations.
- \$50,000 federal drug seizure funds for investigative funds.
- \$50,000 federal drug seizure funds for flight training.
- \$47,840 federal and other funds for a taser pilot project.
- \$15,700 for utility costs of new buildings, including \$2,850 general revenue.
- \$13,000 Criminal Record System Fund for the sex offender registry toll free hotline number, pursuant to HB 1698 (2006).
- \$2,187,520 for pay plan, including \$215,195 general revenue.
- (\$3,890,625) federal and other funds core reduction for one-time expenditures.
- (\$298,600) federal and other funds and (five) staff core reduction from the Fiscal Year 2007 appropriation level.
- (\$150,281) transferred to the Office of Administration for statewide consolidation of facility maintenance functions, including (\$47,930) general revenue.

#### **CRIME LABORATORY**

The Missouri State Highway Patrol Crime Laboratory is a nationally accredited crime lab system that provides state of the art forensic science services to all local, state, and federal law enforcement agencies. Services provided include the forensic specialties of controlled substance, DNA, trace evidence, firearms, toolmarks, toxicology, and latent fingerprint examination.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$610,834 and seven staff to merge the Missouri State Southern University crime lab into the Highway Patrol system, including \$245,334 general revenue.
- \$513,968 and seven staff for phase II of the three-year phase in of the full service crime laboratory in Springfield, including \$293,696 general revenue.
- \$300,000 State Highways and Transportation Department Fund to replace three gas chromatograph mass spectrometers used in drug analysis.
- \$204,672 and four staff to realign the core budget.
- \$58,781 and two staff to provide a more stable funding source for the DNA All Felon program.
- \$138,042 for pay plan, including \$45,928 general revenue.
- (\$263,453) federal and other funds and (six) staff core reduction from the Fiscal Year 2007 appropriation level.
- (\$228,000) core reduction for one-time expenditures, including (\$4,000) general revenue.
- (\$92,400) transferred to statewide leasing, including (\$36,960) general revenue.

## **DEPARTMENT OF PUBLIC SAFETY**

### **HIGHWAY PATROL (Continued)**

#### **LAW ENFORCEMENT ACADEMY**

The academy provides basic training to police officers in all agencies outside St. Louis and Jackson counties. The academy also provides administrative and specialized training to police officers from all counties.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$152,785 and two staff to realign the core budget.
- \$47,285 for pay plan, including \$4,584 general revenue.
- (\$152,785) State Highways and Transportation Department Fund and (two) staff core reduction from the Fiscal Year 2007 appropriation level.
- (\$20,000) State Highways and Transportation Department Fund core reduction for one-time expenditures.
- (\$6,342) federal and other funds transferred to the Office of Administration for statewide consolidation of facility maintenance functions.

#### **VEHICLE AND DRIVER SAFETY**

This section evaluates drivers and vehicles to identify and remove those unfit to be on Missouri roadways. Over 4,900 inspection stations and approximately 23,300 inspector mechanics throughout the state are supervised. The section also maintains over 140 driver examination stations throughout the state.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$74,390 State Highways and Transportation Department Fund for driver's examiners equipment.
- \$50,200 State Highways and Transportation Department Fund for utility costs of new buildings.
- \$283,904 State Highways and Transportation Department Fund for pay plan.
- (\$1,260) State Highways and Transportation Department Fund transferred to the Office of Administration for statewide consolidation of facility maintenance functions.

#### **TECHNICAL SERVICES**

This section develops and processes comprehensive criminal offender data, traffic record data, and administrative data. The database is used to respond to inquiries and for analysis of the criminal justice and traffic systems to plan for effective law enforcement. This section also operates the statewide Missouri Uniform Law Enforcement System (MULES).

#### **Fiscal Year 2008 Governor's Recommendations**

- \$810,739 and 13 staff to realign the core budget.
- \$300,000 State Highways and Transportation Department Fund to provide maintenance for radio communication towers.
- \$100,000 Criminal Record System Fund to allow for record searches using the internet for request and payment.
- \$87,186 Criminal Record System Fund and two staff to replace lost federal funds.
- \$55,000 State Highways and Transportation Department Fund for replacement of radio test and repair equipment.
- \$39,325 Highway Patrol Traffic Records Fund and one staff to replace lost federal funds.
- \$383,515 for pay plan, including \$35,202 general revenue.
- (\$973,840) federal and other funds and (17) staff core reduction from the Fiscal Year 2007 appropriation level.
- (\$323,230) State Highways and Transportation Department Fund core reduction for one-time expenditures.

### **STATE WATER PATROL**

The primary task of the State Water Patrol is to ensure that Missouri citizens and tourists enjoy state waterways in safety through enforcement of water safety laws. This is accomplished by patrolling 626,081 acres of recreational waters in the state. Water Patrol officers provide boating safety education, boat inspection services, and enforce state and federal laws relating to water safety.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$2,000,000 federal and other funds to begin an equipment replacement schedule.
- \$176,583 for pay plan, including \$164,836 general revenue.

## **DEPARTMENT OF PUBLIC SAFETY**

### **DIVISION OF ALCOHOL AND TOBACCO CONTROL**

The Division of Alcohol and Tobacco Control administrative staff review all liquor license applications and reported liquor and tobacco violations. The staff develops facts regarding reported violations in pre-hearing conferences and formal hearings before the supervisor, and, depending on the outcome of hearings, issues citations.

The audit and collection staff reviews beer, wine, and liquor transactions to ensure that all revenues due to the state are collected. The program also ensures fair competition among liquor wholesalers by monitoring actual prices charged for various classes and types of beverages against price schedules for such products.

The enforcement program ensures that liquor licenses are issued only to qualified applicants on approved premises. Agents conduct inspections and investigate complaints received on violations of alcohol and tobacco control laws. Reports are filed with local authorities and the supervisor of Alcohol and Tobacco Control for review and appropriate action.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$52,120 for clerical assistance in the St. Louis and Kansas City offices.
- \$80,647 for pay plan, including \$68,515 general revenue.

### **DIVISION OF FIRE SAFETY**

Division of Fire Safety staff investigates the causes of fires and explosions. Investigators assist in case development and, when necessary, work with local law enforcement authorities to prosecute persons accused of arson. Inspection activities concentrate on fire prevention evaluations. Inspectors evaluate nursing homes that are used for state mental health patients, patient care facilities operated by the Department of Mental Health, day care facilities licensed by the state, senior citizen nutrition and recreation centers, and other public facilities. The division also administers a Public Boiler and Pressure Vessel Safety Inspection Program, Elevator Safety Program, Amusement Ride Safety Program, conducts fireworks industry inspections, and provides firefighter training throughout the state.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$23,175 for equipment and training for fire investigators.
- \$70,366 for pay plan, including \$52,563 general revenue.
- (\$80,410) other funds core reduction for one-time expenditures.



**DEPARTMENT OF PUBLIC SAFETY  
MISSOURI VETERANS' COMMISSION**

**FINANCIAL SUMMARY**

|  | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|--|------------------------|--------------------------|-----------------------------------|
| Administration and Service to Veterans | \$ 3,861,746           | \$ 4,557,316             | \$ 4,624,978                      |
| Veterans' Service Officer Program      | 723,148                | 750,000                  | 750,000                           |
| Veterans' Homes                        | 55,484,006             | 58,519,030               | 62,236,300                        |
| Veterans' Homes Overtime               | 105,746                | 5,011,421                | 3,857,435                         |
| Veterans' Homes Transfers              | 0                      | 0                        | 5,000,000                         |
| DEPARTMENT TOTAL                       | \$ 60,174,646          | \$ 68,837,767            | \$ 76,468,713                     |
| General Revenue Fund                   | 27,459,707             | 27,096,518               | 33,615,868                        |
| Veterans' Commission CI Trust Fund     | 2,088,004              | 2,316,482                | 2,344,180                         |
| Missouri Veterans' Homes Fund          | 30,556,921             | 39,347,466               | 40,431,364                        |
| Veterans' Trust Fund                   | 70,014                 | 77,301                   | 77,301                            |
| Full-time equivalent employees         | 1,578.38               | 1,640.25                 | 1,639.94                          |

**MISSOURI VETERANS' COMMISSION**

The commission has four components: administration, which oversees programs and maintains central files; the Missouri veterans' homes at St. James, Mexico, Mt. Vernon, Cape Girardeau, St. Louis, Cameron, and Warrensburg, which care for Missouri veterans; the Missouri veterans' cemeteries at Higginsville, Springfield, Jacksonville, and Bloomfield; and the Service to Veterans' Program, which assists veterans in applying for U.S. Veterans Administration pensions and other benefits.

**Fiscal Year 2008 Governor's Recommendations**

- \$5,000,000 to maintain solvency in the Missouri Veterans' Homes Fund.
- \$1,158,969 for increased pharmaceutical costs at veterans' homes.
- \$10,000 for veterans ombudsman expenses.
- \$1,463,793 for pay plan, including \$352,197 general revenue.
- \$43,101 reallocated from facility services.
- \$4,301 transferred from fringe benefits to pay for fringe costs associated with the mailroom consolidation.
- (\$44,065) core reduction for one-time expenditures.
- (\$5,153) transferred to statewide leasing.
- (.31) staff core reduction for mailroom consolidation from the Fiscal Year 2007 appropriation level.

**MISSOURI GAMING COMMISSION**

Senate Bill 10 (1993) established the Gaming Commission, which was granted regulatory authority over riverboat gambling and bingo. The five members of the Gaming Commission are appointed by the Governor with the advice and consent of the Senate.

**Fiscal Year 2008 Governor's Recommendations**

- \$373,417 Gaming Commission Fund for pay plan.
- (\$618,605) Gaming Commission Fund and (12) staff core reduction from the Fiscal Year 2007 appropriation level.

**DEPARTMENT OF PUBLIC SAFETY  
ADJUTANT GENERAL**

**FINANCIAL SUMMARY**

|  | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|--|------------------------|--------------------------|-----------------------------------|
| Administration                           | \$ 1,319,552           | \$ 1,408,990             | \$ 1,391,193                      |
| National Guard Trust Fund Program        | 2,815,863              | 5,122,574                | 5,156,739                         |
| Veterans' Recognition Program            | 38,944                 | 80,372                   | 625,423                           |
| Field Support                            | 2,714,175              | 1,448,112                | 1,458,659                         |
| Missouri Military Family Relief Program  | 5,000                  | 200,000                  | 200,000                           |
| Contract Services                        | 15,839,153             | 18,793,347               | 18,809,838                        |
| Office of Air Search & Rescue            | 16,469                 | 16,978                   | 16,978                            |
| State Emergency Management Agency (SEMA) | 70,337,419             | 11,595,507               | 50,002,058                        |
| <b>DEPARTMENT TOTAL</b>                  | <b>\$ 93,086,575</b>   | <b>\$ 38,665,880</b>     | <b>\$ 77,660,888</b>              |
| General Revenue Fund                     | 6,731,335              | 4,643,844                | 4,902,977                         |
| Federal Funds                            | 81,868,845             | 27,179,362               | 65,368,078                        |
| Missouri National Guard Trust Fund       | 3,450,082              | 5,364,823                | 5,387,988                         |
| Other Funds                              | 1,036,313              | 1,477,851                | 2,001,845                         |
| <b>Full-time equivalent employees</b>    | <b>451.69</b>          | <b>581.59</b>            | <b>560.65</b>                     |

**ADJUTANT GENERAL**

**ADMINISTRATION**

This section provides administrative support for the Missouri National Guard, including the functions of command communication, logistical assistance, finance, and budgeting. The Adjutant General is the military chief of staff to the commander-in-chief (Governor). The Adjutant General is also the administrative head of the military forces, which include Army and Air National Guard elements assigned to the state by the federal government.

**Fiscal Year 2008 Governor's Recommendations**

- \$35,906 for pay plan.
- (\$53,703) federal and Missouri National Guard Trust Fund and (one) staff core reduction from the Fiscal Year 2007 appropriation level.

**NATIONAL GUARD TRUST FUND PROGRAM**

HB 1519 (1998) established the Missouri National Guard Trust Fund and permitted income tax check-off contributions to be deposited in the fund. Grants, gifts, and bequests may also be deposited in the fund. In the absence of specific requirements attached to fund donations, the Office of the Adjutant General may, subject to appropriation, expend the funds for any lawful purpose in support of the Guard.

**Fiscal Year 2008 Governor's Recommendations**

- \$34,165 Missouri National Guard Trust Fund for pay plan.

## **DEPARTMENT OF PUBLIC SAFETY**

### **ADJUTANT GENERAL (Continued)**

#### **VETERANS' RECOGNITION PROGRAM**

The Veterans' Recognition Program was first established in 2000 with the creation of the World War II Veterans' Recognition Award. During the 2003 legislative session, the Korean Conflict Medallion Program was established. The Vietnam War Medallion Program was established by HB 978 in 2006. Veterans serving on active duty between February 28, 1961 and May 7, 1975 are entitled to receive a medallion, medal, and certificate of appreciation.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$543,721 Veterans' Commission Capital Improvement Trust Fund and one staff to begin the Missouri Vietnam War Veteran Recognition Program authorized under HB 978 (2006).
- \$1,330 Veterans' Commission Capital Improvement Trust Fund for pay plan.

#### **FIELD SUPPORT**

The field support section supports the operational needs of Missouri National Guard facilities located throughout the state. This section includes maintenance and operation of 62 armories and 629 buildings in 64 Missouri communities.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$113,303 and one staff for start-up costs for the Chippewa Armory, including \$28,325 general revenue.
- \$22,460 for pay plan, including \$21,946 general revenue.
- (\$78,240) core reduction for one-time expenditures.
- (\$26,000) Adjutant General Revolving Fund core reduction from the Fiscal Year 2007 appropriation level.
- (\$20,976) transferred to the Office of Administration for the statewide consolidation of fuel and utility purchases and facility related service contracts, including (\$10,488) general revenue.

#### **MISSOURI MILITARY FAMILY RELIEF PROGRAM**

Families of persons who are members of the Missouri National Guard or Missouri residents who are members of the reserve forces of the United States and have been called to active duty as a result of the terrorist attacks of September 11, 2001 are eligible for grants through this program. This program will be funded in its entirety from donations and income tax contributions designated on Missouri income tax returns.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

#### **CONTRACT SERVICES**

This section provides funding for contractual agreements between the federal and state government related to maintenance and security of National Guard installations.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$279,717 for increased utility costs, including \$107,360 general revenue.
- \$103,413 for increased costs in broadband communication, including \$16,546 general revenue.
- \$20,000 for the St. Joseph Airport use agreement, including \$5,000 general revenue.
- \$384,361 for pay plan, including \$16,010 general revenue.
- (\$655,000) federal funds and (22.5) staff core reduction from the Fiscal Year 2007 appropriation level.
- (\$116,000) federal funds and (two) staff reallocated to the Director's Office.
- (.68) staff core reduction for mailroom consolidation from the Fiscal Year 2007 appropriation level.

## **DEPARTMENT OF PUBLIC SAFETY**

### **ADJUTANT GENERAL (Continued)**

#### **OFFICE OF AIR SEARCH AND RESCUE**

The Office of Air Search and Rescue provides emergency services utilizing the efforts of professionally trained pilots, communications specialists, and emergency support personnel. The office works in cooperation with state and federal agencies, the Civil Air Patrol, and public and private hospitals to provide emergency services, rescue operations, mercy missions, aerial observations, and emergency communications to anyone in immediate need of these specialized services.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

### **STATE EMERGENCY MANAGEMENT AGENCY**

The State Emergency Management Agency develops policies and procedures that help protect citizens in times of disaster. The agency is charged with the task of preparing and periodically updating plans to manage and control the state's resources in emergency situations. Once disaster strikes, the agency administers federal assistance to disaster areas and coordinates efforts to aid individuals, protect property, and restore essential utilities and structures. A state emergency operations center also is maintained to serve as the control center for state government should emergency situations arise.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$38,500,000 federal funds to more accurately reflect the spending amount in federal grants programs.
- \$147,456 and four staff to work with state departments and regional planning committees for disaster response, including \$20,034 general revenue.
- \$90,000 for contractual services to develop state and local mitigation plans.
- \$90,000 to maintain radiological instruments and detection devices.
- \$73,607 for pay plan, including \$37,985 general revenue.
- \$5,488 transferred from fringe benefits to pay for fringe costs associated with the mailroom consolidation, including \$3,749 general revenue.
- (\$500,000) core reduction for one-time expenditures, including (\$125,000) general revenue.
- (.76) staff core reduction for mailroom consolidation from the Fiscal Year 2007 appropriation level.

# DEPARTMENT OF REVENUE

## FINANCIAL SUMMARY

|   | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | FY 2008<br>REQUEST | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|---|------------------------|--------------------------|--------------------|-----------------------------------|
| Customer Services Division                      | \$ 0                   | \$ 27,811,688            | \$ 24,126,784      | \$ 18,345,573                     |
| Legal Services Division                         | 0                      | 2,334,877                | 2,362,441          | 2,428,992                         |
| Fiscal Services Division                        | 4,462,463              | 13,519,442               | 23,708,585         | 23,871,992                        |
| Highway Collections                             | 0                      | 25,488,221               | 25,488,221         | 25,645,077                        |
| Facility Services                               | 0                      | 123,254                  | 0                  | 0                                 |
| State Tax Commission                            | 2,632,691              | 2,915,639                | 2,985,639          | 2,949,578                         |
| Distributions                                   | 229,417,043            | 224,312,577              | 228,384,597        | 228,054,577                       |
| State Lottery Commission                        | 147,704,614            | 115,713,734              | 138,923,334        | 139,131,514                       |
| Division of Administration                      | 15,883,762             | 0                        | 0                  | 0                                 |
| Division of Taxation                            | 32,549,851             | 0                        | 0                  | 0                                 |
| Division of Motor Vehicle and Drivers Licensing | 16,093,020             | 0                        | 0                  | 0                                 |
| DEPARTMENTAL TOTAL                              | \$ 448,743,444         | \$ 412,219,432 *         | \$ 445,979,601     | \$ 440,427,303                    |
| General Revenue Fund                            | 90,046,098             | 85,437,324               | 95,960,900         | \$ 90,103,799                     |
| Federal Funds                                   | 5,012,820              | 6,404,905                | 6,404,905          | 6,411,958                         |
| Child Support Enforcement Collection Fund       | 2,621,900              | 2,622,814                | 2,622,814          | 2,623,503                         |
| Health Initiatives Fund                         | 50,419                 | 55,873                   | 56,257             | 57,267                            |
| Division of Aging Elderly Home                  |                        |                          |                    |                                   |
| Delivered Meals Trust Fund                      | 11,406                 | 11,860                   | 11,860             | 12,216                            |
| Petroleum Storage Tank Insurance Fund           | 25,165                 | 26,131                   | 26,131             | 26,881                            |
| Motor Vehicle Commission Fund                   | 612,040                | 1,109,954                | 1,113,099          | 1,130,607                         |
| Conservation Commission Fund                    | 490,130                | 526,094                  | 526,190            | 541,350                           |
| Department of Revenue Information Fund          | 723,256                | 777,756                  | 792,012            | 785,954                           |
| State Highways and Transportation               |                        |                          |                    |                                   |
| Department Fund                                 | 14,438,715             | 11,371,022               | 11,503,388         | 11,562,562                        |
| Lottery Enterprise Fund                         | 147,704,614            | 115,836,988              | 138,923,334        | 139,131,514                       |
| Petroleum Inspection Fund                       | 32,286                 | 33,631                   | 33,631             | 34,550                            |
| Motor Fuel Tax Fund                             | 186,969,872            | 188,000,000              | 188,000,000        | 188,000,000                       |
| Department of Revenue Specialty Plate Fund      | 4,723                  | 5,080                    | 5,080              | 5,142                             |
| Full-time equivalent employees                  | 1,724.15               | 1,629.16                 | 1,628.96           | 1,628.96                          |

\* Does not include \$2,298,847 recommended in the Fiscal Year 2008 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Department of Revenue supplemental appropriations.

## DEPARTMENT SUMMARY

Governor Blunt's Fiscal Year 2008 provides a total of \$440.4 million for the Department of Revenue. The department serves as the primary revenue collection agency for the State of Missouri. It strives to ensure that all taxes and fees owed to the state are paid, taxpayers are served conscientiously and efficiently, and revenues are collected at minimal administrative expense. The core functions provided by the Department of Revenue include:

- Preparing tax forms.
- Processing tax forms, returns, associated payments, and refunds.
- Tinting and registering motor vehicles, boats and trailers.
- Licensing drivers.
- Investigating instances of suspected tax or fee avoidance.

## **DEPARTMENT OF REVENUE**

### **CUSTOMER SERVICES DIVISION**

The Customer Services Division serves Missouri citizens by providing taxation, motor vehicle, and licensing services. The Taxation Bureau is responsible for administering and enforcing taxation and collection regulations. Its collection activities include account management, lien filing, third-party collection referrals, tax clearances, and debt offsets. The bureau has eight in-state field offices (St. Louis, Kansas City, Springfield, Jefferson City, Joplin, St. Joseph, Columbia, and Cape Girardeau) that handle taxpayer assistance inquiries. Tax auditors are stationed in these offices and four out-of-state offices (Chicago, Dallas, Los Angeles, and New York) to foster compliance with Missouri tax laws. The Motor Vehicle Bureau is responsible for administering and enforcing vehicle registration and titling regulations. It titles and registers motor vehicles and watercraft, licenses motor vehicle dealers and boat dealers, and collects state and local sales/use tax and other vehicle fees. The Driver License Bureau is responsible for administering and enforcing driver license regulations and financial responsibility programs. The Customer Assistance Bureau oversees 184 contract license offices that provide driver licensing and motor vehicle titling and registration services to Missourians.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$450,334 for pay plan, including \$410,023 general revenue.
- (\$9,748,457) and (16.5) staff reallocated to various divisions, including (\$1,107,793) general revenue.
- (\$167,992) and (.2) staff transferred to the Office of Administration for statewide consolidation of information technology services.

### **LEGAL SERVICES DIVISION**

The General Counsel's Office advises the director on legal matters and represents the director in legal proceedings. The Governmental Affairs Bureau develops and tracks the department's legislation and estimates the fiscal impact of legislation that relates to the department. The Criminal Investigation Bureau investigates suspected tax, motor vehicle, dealer, and driver license fraud, and prepares cases for prosecution. Human Resource Services and Development is responsible for recruitment, training, employee relations' services, and payroll processing.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$66,551 for pay plan, including \$53,657 general revenue.
- \$27,564 and two staff reallocated from various divisions to the bankruptcy unit.

### **FISCAL SERVICES DIVISION**

The Director of Revenue's office supervises all operations of the department. The Financial and General Services Bureau provides accounting, procurement, cash management, stores, receiving, mail operations, warehousing, archival, delivery, motor pool, and facility services to the department. The Internal Compliance Bureau reviews and evaluates the department's accounting controls and appraises the effectiveness and efficiency of the use of department resources. Field Compliance Bureau auditors are stationed in eight in-state offices and four out-of-state offices (in the same locations as the Customer Services Division) to foster compliance with Missouri tax laws.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$316,172 for pay plan, including \$310,803 general revenue.
- \$10,036,378 and 27.75 staff reallocated from various divisions, including \$1,287,562 general revenue.

### **HIGHWAY COLLECTIONS**

Article IV, Sections 30(a), 30 (b), and 30 (c), Constitution of Missouri, requires that all revenues from the existing motor vehicle fuel tax, vehicle taxes and fees paid by highway users (less collection costs) be used only for state and local highways, roads and bridges, and for constructing and maintaining the state highway system. These collection costs are not to exceed three percent of the amount collected. The Department of Revenue is responsible for collecting and remitting these revenues to the State Highways and Transportation Department Fund. Highway collections functions are distributed between the Customer Services Division and the Fiscal Services Division.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$472,341 for pay plan, including \$284,045 general revenue.
- (\$315,485) and (13.25) staff reallocated to various divisions, including (\$207,333) general revenue.

## **DEPARTMENT OF REVENUE**

### **FACILITY SERVICES**

Responsibility for management of facility related services has been transferred to the Office of Administration. The Facilities Management, Design and Construction Division will be the central point for these services.

#### **Fiscal Year 2008 Governor's Recommendations**

- (\$123,254) Lottery Enterprise Fund transferred to the Office of Administration for the statewide consolidation of fuel and utility purchases and facility related service contracts.

### **STATE TAX COMMISSION**

The State Tax Commission is a quasi-judicial administrative agency created by the Missouri Constitution to perform six basic functions. These functions are: to equalize inter- and intra-county assessments; conduct de novo judicial hearings regarding valuation and classification appeals from local boards of equalization; formulate and implement statewide assessment policy and procedures to comport with statutory and constitutional mandates; supervise local assessing officials and local assessment programs to ensure compliance with statewide requirements; conduct ratio studies to determine the assessment level in each county and to measure the quality of the assessments; and assess the distributable property of railroads and public utilities.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$78,939 for pay plan.
- (\$40,000) for one-time expenditures.
- (\$5,000) transferred to the Office of Administration for statewide consolidation of information technology services.

**DEPARTMENT OF REVENUE  
DISTRIBUTIONS**

**FINANCIAL SUMMARY**

|  | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|--|------------------------|--------------------------|-----------------------------------|
| Prosecuting Attorneys and Collection Agencies      | \$ 2,435,213           | \$ 2,580,000             | \$ 2,580,000                      |
| County Filing Fees                                 | 146,688                | 200,000                  | 200,000                           |
| Contingency Fees for Collection Enhancements       | 3,241,289              | 0                        | 0                                 |
| Tax Data Matching for Collection Enhancements      | 5,400,000              | 0                        | 0                                 |
| State Share of Assessment Maintenance Costs        | 18,785,668             | 18,785,668               | 18,785,668                        |
| Certification Compensation                         | 72,118                 | 77,112                   | 77,112                            |
| Motor Fuel Tax Distribution to Cities and Counties | 186,969,872            | 188,000,000              | 188,000,000                       |
| Emblem Use Fee Distribution                        | 0                      | 0                        | 1,000                             |
| County Stock Insurance Tax                         | 780,042                | 500,000                  | 500,000                           |
| Homestead Preservation Credit                      | 0                      | 2,955,913                | 2,955,913                         |
| Debt Offset For Tax Credits Transfer               | 192,267                | 20,000                   | 20,000                            |
| Debt Offset Transfer                               | 11,083,469             | 10,292,384               | 11,292,384                        |
| Circuit Courts Escrow Transfer                     | 0                      | 505,500                  | 505,500                           |
| Income Tax Refund Designations                     | 310,417                | 396,000                  | 396,000                           |
| State Supplemental Downtown Development Transfer   | 0                      | 0                        | 2,741,000                         |
| <b>TOTAL</b>                                       | <b>\$ 229,417,043</b>  | <b>\$ 224,312,577</b>    | <b>\$ 228,054,577</b>             |
| General Revenue Fund                               | 42,447,171             | 36,312,577               | 40,054,577                        |
| Motor Fuel Tax Fund                                | 186,969,872            | 188,000,000              | 188,000,000                       |

**PAYMENTS TO PROSECUTING ATTORNEYS AND COLLECTION AGENCY FEES**

Section 136.150, RSMo, provides for payment of a collection fee of 20 percent of delinquent taxes, licenses, or fees recovered on behalf of the state by collection agencies or prosecuting attorneys. The collection fee is deposited in the county treasury with one-half of the fee for use by the attorney's office and one-half to be expended as the county determines. This incentive program provides additional resources to counties and a five-to-one benefit/cost ratio to the state.

Section 140.850, RSMo, authorizes the Department of Revenue to use commercial collection agencies to collect delinquent taxes owed by resident and non-resident taxpayers (individuals and businesses). The statutes permit payment of a collection fee not to exceed 25 percent of the amount collected.

**Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

**COUNTY FILING FEES**

The Department of Revenue is authorized to file tax liens on property owned by taxpayers that are delinquent in income tax or sales/use tax. County recorders charge the Department of Revenue a fee of \$3.00 for the filing of each tax lien and a fee of \$1.50 for each release of a tax lien filed on property owned by taxpayers that are delinquent in income tax or sales/use tax.

**Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

**STATE SHARE OF ASSESSMENT MAINTENANCE COSTS**

The state reimburses a portion of the costs and expenses for maintaining assessments by the county assessors and the St. Louis City assessor.

**Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.



## **DEPARTMENT OF REVENUE**

### **CERTIFICATION COMPENSATION**

The state provides quarterly compensation to assessors, except those in first-class charter counties, who maintain an education certification with the State Tax Commission.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

### **MOTOR FUEL TAX DISTRIBUTION TO CITIES AND COUNTIES**

Article IV, Section 30(a)(2), Constitution of Missouri, requires 15 percent of the net proceeds from the Motor Fuel Tax collections be allocated to the incorporated cities, towns, and villages of the state to assist in the maintenance of streets and highways.

Article IV, Section 30(a)(1), Constitution of Missouri, requires that 10 percent of the net proceeds from Motor Fuel Tax collections be distributed to the counties to assist in the maintenance of county roads, highways, and bridges. On August 4, 1992, voters approved Constitutional Amendment No. 8 to require that 15 percent of the net proceeds resulting from any increase in the Motor Fuel Tax rate over the rate in effect on March 31, 1992, be distributed to the counties to assist in the maintenance of county roads, highways, and bridges.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

### **VETERANS OF FOREIGN WARS EMBLEM USE FEE DISTRIBUTION**

Pursuant to Section 301.3141, RSMo, a contribution to be used to apply for a specialty license plate may be made directly to the Department of Revenue. The Department of Revenue remits all contributions to the Veterans of Foreign Wars Department of Missouri.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$1,000 for distribution to the Veterans of Foreign Wars.

### **COUNTY STOCK INSURANCE**

The Department of Revenue uses this appropriation to meet the apportionment requirements for the County Stock Insurance Tax required by Section 148.330, RSMo, while holding school districts and counties harmless to reductions from tax credits.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

### **HOMESTEAD PRESERVATION TAX CREDIT**

Section 137.106, RSMo, the Homestead Preservation Act, enables qualified senior citizens and disabled persons to obtain a credit against their property taxes for an increase to their taxes that exceeds established thresholds. This appropriation provides funds to be distributed to county governments to offset property taxes of qualified applicants.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

## **DEPARTMENT OF REVENUE**

### **DEBT OFFSET FOR TAX CREDITS**

SB 1099 (2004) requires that tax credit applicants must apply any award to any delinquent income, sales, use, or insurance taxes. After applying all credits toward any delinquencies, the applicant can be issued any remaining credits. The Department of Revenue uses this appropriation to hold harmless local tax jurisdictions for local sales tax delinquencies.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

### **DEBT OFFSET TRANSFER**

Chapter 143, RSMo, provides a mechanism to offset debts owed to the state against tax refunds payable to the debtor. The Department of Revenue transfers to the Office of State Treasurer the amount of the debt certified to be owed to a state agency in an amount not exceeding the tax refund claimed. Any amount in excess of the debt is forwarded to the taxpayer. Upon settlement of the claim through the established administrative hearings process, the escrow funds are returned to the state agency and/or the payee.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$1,000,000 to offset debts owed to the state against tax refunds.

### **CIRCUIT COURTS ESCROW TRANSFER**

Section 143.784, RSMo, provides a mechanism to offset debts owed to the state against tax refunds payable to the debtor. The Department of Revenue transfers to the Circuit Courts any amounts certified to be owed to the state, in an amount not exceeding the tax refund claimed. Upon settlement of the claim, the escrow funds are returned to the state agency.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

### **INCOME TAX CHECK-OFF REFUND DESIGNATIONS**

State statutes permit individuals and corporations to contribute a portion of any income tax refund that they are owed to seven separate state trust funds or nine separate charitable trust funds. The seven state trust funds include the Children's Trust Fund (Section 210.174, RSMo); the Division of Aging Elderly Home Delivered Meals Trust Fund (Section 660.078, RSMo); the Veterans' Trust Fund (Section 42.140, RSMo); the Missouri National Guard Trust Fund (Section 41.215, RSMo); the Workers Memorial Fund (Section 143.1025, RSMo); the Childhood Lead Testing Fund (Section 143.603, RSMo); and the Missouri Military Family Relief Fund (Section 143.822, RSMo). The nine charitable funds (Section 143.605, RSMo) include the American Cancer Society, Heartland Division, Inc. Fund; the ALS Lou Gehrig's Disease Fund; the American Lung Association of Missouri Fund; the Muscular Dystrophy Association Fund; the Arthritis Foundation Fund; the American Diabetes Association Gateway Area Fund; the American Heart Association Fund; the March of Dimes Fund; and the National Multiple Sclerosis Society Fund. The amounts designated by taxpayers for distribution to the seven trust funds are transferred from the General Revenue Fund.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

### **STATE SUPPLEMENTAL DOWNTOWN DEVELOPMENT TRANSFER**

Section 99.963, RSMo, requires the department to annually transfer the first \$150,000,000 of other net new revenues generated by development projects to the State Supplemental Downtown Development Fund.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$2,741,000 transferred to the State Supplemental Downtown Development Fund.

**DEPARTMENT OF REVENUE****STATE LOTTERY COMMISSION**

The Missouri State Lottery was established by voter approval of Constitutional Amendment No. 5 on November 6, 1984. On August 2, 1988, voters approved Constitutional Amendment No. 3 to revise the lottery prize structure and certain promotional restrictions.

**Fiscal Year 2008 Governor's Recommendations**

- \$208,180 Lottery Enterprise Fund for pay plan.
- \$23,209,600 Lottery Enterprise Fund to pay prizes.

|                                | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|--------------------------------|------------------------|--------------------------|-----------------------------------|
| Operating Expense              |                        |                          |                                   |
| Personal Service               | \$ 6,254,462           | \$ 6,939,332             | \$ 7,147,512                      |
| Expense and Equipment          | 30,390,542             | 28,774,402               | 29,984,002                        |
| Prizes                         | <u>111,059,610</u>     | <u>80,000,000</u>        | <u>102,000,000</u>                |
| TOTAL                          |                        |                          |                                   |
| Lottery Enterprise Fund        | \$ 147,704,614         | \$ 115,713,734           | \$ 139,131,514                    |
| Full-time equivalent employees | 169.89                 | 173.50                   | 173.50                            |

**LOTTERY ENTERPRISE FUND TRANSFER**

Section 39(b) of Article III of the Missouri Constitution provides that a minimum of 45 percent of moneys received from the sale of lottery tickets shall be paid as prizes. On August 4, 1992, voters approved Constitutional Amendment No. 11 to dedicate net lottery proceeds to fund public institutions of elementary, secondary, and higher education.

**Fiscal Year 2008 Governor's Recommendations**

- \$15,068,010 Lottery Enterprise Fund to Lottery Proceeds Fund.

|                         | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|-------------------------|------------------------|--------------------------|-----------------------------------|
| Lottery Enterprise Fund | \$ 260,300,831         | \$ 218,681,990           | \$ 233,750,000                    |

# DEPARTMENT OF SOCIAL SERVICES

## FINANCIAL SUMMARY

|   | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | FY 2008<br>REQUEST | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|---|------------------------|--------------------------|--------------------|-----------------------------------|
| Office of the Director                  | \$ 24,057,700          | \$ 35,887,849            | \$ 35,548,053      | \$ 34,492,735                     |
| Information Technology                  | 32,508,632             | 0                        | 0                  | 0                                 |
| Facility Services                       | 0                      | 1,263,501                | 0                  | 0                                 |
| Family Support Division                 | 488,746,388            | 494,612,017              | 502,075,628        | 504,883,360                       |
| Children's Division                     | 511,917,148            | 552,737,130              | 578,163,820        | 571,688,999                       |
| Division of Youth Services              | 56,518,920             | 58,927,602               | 62,580,944         | 61,768,023                        |
| Division of Medical Services            | 4,872,500,303          | 5,033,614,903            | 5,297,401,114      | 5,425,406,867                     |
| DEPARTMENTAL TOTAL                      | \$ 5,986,249,091       | \$ 6,177,043,002 *       | \$ 6,475,769,559   | \$ 6,598,239,984                  |
| General Revenue Fund                    | 1,252,305,354          | 1,415,767,492            | 1,547,464,549      | 1,585,324,968                     |
| Title XIX - Federal and Other Funds     | 2,387,353,526          | 2,715,843,494            | 2,530,148,606      | 2,609,160,061                     |
| Temporary Assistance for Needy          |                        |                          |                    |                                   |
| Families - Federal Funds                | 147,786,282            | 155,860,031              | 153,341,047        | 153,341,044                       |
| DSS - Federal and Other Funds           | 557,524,184            | 567,427,347              | 613,133,188        | 612,623,410                       |
| Uncompensated Care Fund                 | 104,188,560            | 91,000,001               | 91,000,001         | 91,000,001                        |
| Pharmacy Rebates Fund                   | 121,587,294            | 37,506,075               | 37,506,075         | 37,506,608                        |
| Third Party Liability Collections Fund  | 21,189,196             | 24,092,124               | 24,092,124         | 24,117,760                        |
| Federal Reimbursement Allowance Fund    | 954,433,593            | 652,104,148              | 1,004,729,210      | 1,004,731,813                     |
| Pharmacy Reimbursement Allowance Fund   | 42,251,832             | 24,289,549               | 24,284,549         | 24,285,259                        |
| Medicaid Managed Care Organization      |                        |                          |                    |                                   |
| Reimbursement Allowance Fund            | 43,238,423             | 48,989,634               | 46,983,825         | 46,983,825                        |
| Family Support and Children's Divisions |                        |                          |                    |                                   |
| Donations Fund                          | 55,447                 | 133,994                  | 133,994            | 133,994                           |
| Family Support Division                 |                        |                          |                    |                                   |
| Collections Fund                        | 11,567,325             | 11,200,005               | 11,191,008         | 11,417,146                        |
| Nursing Facility Federal Reimbursement  |                        |                          |                    |                                   |
| Allowance Fund                          | 203,501,954            | 218,253,564              | 214,021,731        | 214,021,731                       |
| Nursing Facility Quality of Care Fund   | 83,203                 | 86,171                   | 86,171             | 88,449                            |
| Health Initiatives Fund                 | 16,812,465             | 21,512,378               | 21,511,128         | 21,546,819                        |
| Gaming Commission Fund                  | 429,111                | 500,000                  | 500,000            | 500,000                           |
| DSS Administrative Trust Fund           | 5,229,227              | 5,755,755                | 5,451,807          | 5,451,920                         |
| DSS Educational Improvement Fund        | 5,589,477              | 5,695,606                | 5,695,606          | 5,773,181                         |
| Blind Pension Fund                      | 24,296,293             | 26,878,490               | 28,597,796         | 28,624,038                        |
| Healthy Families Trust Fund             | 0                      | 0                        | 64,779,494         | 64,779,494                        |
| Healthy Families Trust Fund-Health Care |                        |                          |                    |                                   |
| Treatment and Access Account            | 50,617,367             | 50,959,100               | 0                  | 0                                 |
| Life Sciences Research Trust Fund       | 0                      | 38,500,000               | 0                  | 0                                 |
| Youth Services Products Fund            | 0                      | 25,000                   | 25,000             | 25,000                            |
| Missouri Rx Plan Fund                   | 2,405,654              | 24,509,456               | 10,689,062         | 10,709,260                        |
| Youth Services Treatment Fund           | 0                      | 999                      | 999                | 999                               |
| Early Childhood Development,            |                        |                          |                    |                                   |
| Education and Care Fund                 | 13,782,712             | 14,514,649               | 14,514,649         | 20,205,264                        |
| Premium Fund                            | 9,466,155              | 13,637,940               | 13,637,940         | 13,637,940                        |
| Blindness Education, Screening and      |                        |                          |                    |                                   |
| Treatment Program Fund                  | 0                      | 0                        | 250,000            | 250,000                           |
| Alternative Care Trust Fund             | 10,554,457             | 12,000,000               | 12,000,000         | 12,000,000                        |
| Full-time equivalent employees          | 8,454.30               | 8,284.58                 | 8,266.58           | 8,240.08                          |

\* Does not include \$67,115,911 recommended in the Fiscal Year 2007 Supplemental Appropriations, including \$66,465,911 general revenue. See the Supplemental section of the Missouri Budget for details regarding the Department of Social Services supplemental appropriations.

## **DEPARTMENT OF SOCIAL SERVICES**

### **DEPARTMENT SUMMARY**

Governor Blunt's budget for Fiscal Year 2008 provides a total of \$6.6 billion for the Department of Social Services. Each day half of all Missouri residents receive services from the Department of Social Services. The core functions provided by the Department of Social Services include:

#### **Children's Division**

The Children's Division is dedicated to protecting the welfare of Missouri's children. The division's programs include: foster care, child abuse and neglect investigations, children's treatment, purchase of child care, and adoption assistance.

#### **Income Maintenance**

The Family Support Division is responsible for all income support programs and many of the state's child support enforcement functions. The programs administered by the division include: Temporary Assistance for Needy Families, Food Stamps, Energy Assistance, Blind Pension, Supplemental Aid to the Blind, Domestic Violence, and Medicaid eligibility.

#### **Youth Services**

The Division of Youth Services provides case management, community care, and aftercare to youth committed to the state's custody for various crimes. The Juvenile Court Diversion Program works with local communities to help prevent juvenile crime and provide treatment for youth in their own communities.

#### **Medicaid Programs**

The Division of Medical Services is responsible for the delivery of health care to over 825,000 of Missouri's neediest citizens, including the elderly, the disabled, children, and pregnant women. The Medicaid Program (Title XIX of the Social Security Act) is a federal-state effort begun in 1965 to meet the health care needs of those who cannot pay for their own care. The program staff oversees the operation of the Medicaid, SCHIP (State Children's Health Insurance Program), and State Medical programs. The health care services include hospital, physician, pharmacy, skilled nursing home care, home health care, mental health, and managed care. While states must meet certain minimum criteria, each state can establish eligibility guidelines, benefit packages, and provider payment rates for their state Medicaid Program.

**DEPARTMENT OF SOCIAL SERVICES  
DEPARTMENTAL ADMINISTRATION**

**OFFICE OF THE DIRECTOR**

Departmental Administration includes the director, the director's staff, and the Human Resource Center (HRC). The director sets policy for the department, forges public/private partnerships to help meet department goals, and ensures implementation of its mandates. The HRC plans, develops, and implements statewide human resource programs and training curriculums, giving direction and coordination to all divisions in the Department of Social Services.

The Division of Budget and Finance (DBF) provides centralized financial support to all Department of Social Services divisions. Functions include auditing, budgeting, expenditure review and control, federal grants management and reporting, implementation of the department's fiscal policies, and responding to changes in federal and state fiscal policy. In addition, staff responsible for the department's research and data management functions are included in the DBF.

The Division of General Services provides a variety of services that support the operations of the department, including operating the department's centralized mailing center that processes over 22 million pieces of mail annually, working with telecommunications systems, providing necessary minor office renovations, and coordinating the inventory and distribution of office equipment and furniture.

The Division of Legal Services (DLS) provides comprehensive legal support to all program and support divisions in the department. DLS responsibilities include due process hearings for recipient appeals, legal advice and representation for children in the custody of the Children's Division, investigating fraud and abuse of public assistance programs, and conducting background investigations on department employees prior to employment. The division also includes the State Technical Assistance Team (STAT) responsible for assisting in the investigation of child abuse and neglect, child exploitation, and child fatality cases. In addition, the STAT manages Missouri's Child Fatality Review Program (CFRP) and provides in-service training for CFRP panel members and other professional staff. DLS also coordinates the department's compliance with the federal Health Insurance Portability and Accountability Act (HIPAA) by employing a privacy officer to ensure that HIPAA standards are implemented appropriately.

**Fiscal Year 2008 Governor's Recommendations**

- \$100,000 for audits and investigation of contract providers.
- \$310,154 for pay plan, including \$214,985 general revenue.
- \$74,962 and three staff reallocated from various divisions for mail consolidation, including \$68,966 general revenue.
- \$5,606 transferred from the Office of Administration for information services.
- (\$1,046,902) reallocated to the Division of Youth Services for overtime.
- (\$828,796) and (22) staff transferred to the Office of Administration for the statewide consolidation of facility maintenance functions, including (\$630,453) general revenue.
- (\$10,138) federal funds core reduction from the Fiscal Year 2007 appropriation level.

**FACILITY SERVICES**

Responsibility for management of facility related services has been transferred to the Office of Administration. The Facilities Management, Design and Construction Division will be the central point for these services.

**Fiscal Year 2008 Governor's Recommendations**

- (\$1,065,836) transferred to the Office of Administration for the statewide consolidation of fuel and utility purchases and facility related service contracts, including (\$400,363) general revenue.
- (\$197,665) Department of Social Services Administrative Trust Fund core reduction from the Fiscal Year 2007 appropriation level.

**DEPARTMENT OF SOCIAL SERVICES  
FAMILY SUPPORT DIVISION**

**FINANCIAL SUMMARY**

|  | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|--|------------------------|--------------------------|-----------------------------------|
| Family Support Administration                  | \$ 26,018,062          | \$ 26,931,786            | \$ 27,289,471                     |
| Income Maintenance                             |                        |                          |                                   |
| Income Maintenance Field Staff and Operations  | 83,637,042             | 90,222,261               | 92,668,046                        |
| Independence Agreements                        | 0                      | 0                        | 1,500,000                         |
| Family Support Staff Training                  | 462,827                | 536,515                  | 536,515                           |
| Community Partnerships                         | 7,840,467              | 8,299,077                | 8,301,711                         |
| Missouri Mentoring Partnership                 | 1,250,493              | 1,384,987                | 1,384,987                         |
| Kids Mentoring                                 | 0                      | 200,000                  | 200,000                           |
| Family Nutrition Program                       | 5,287,249              | 5,294,560                | 9,294,560                         |
| Temporary Assistance for Needy Families (TANF) | 129,268,908            | 138,352,450              | 135,833,466                       |
| Adult Supplementation                          | 113,744                | 125,000                  | 100,000                           |
| Supplemental Nursing Care                      | 25,560,735             | 25,807,581               | 25,807,581                        |
| Supplemental Security Income                   | 61,704                 | 100,000                  | 0                                 |
| Blind Pension                                  | 21,772,650             | 24,272,802               | 25,804,530                        |
| Refugee Assistance                             | 3,405,616              | 4,008,853                | 4,008,853                         |
| Community Services Block Grant                 | 17,332,161             | 19,144,171               | 19,144,171                        |
| Homeless Challenge Grant                       | 423,700                | 500,000                  | 500,000                           |
| Emergency Shelter Grants                       | 1,339,234              | 1,340,000                | 1,340,000                         |
| Food Distribution Programs                     | 999,027                | 1,175,585                | 1,175,585                         |
| Energy Assistance                              | 64,630,838             | 40,810,081               | 40,817,949                        |
| Utilicare Transfer                             | 6,079,746              | 0                        | 0                                 |
| Domestic Violence                              | 5,693,946              | 6,187,653                | 6,187,653                         |
| Missouri Supplemental Food Stamp Program       | 0                      | 3,526,676                | 0                                 |
| Services for the Blind                         |                        |                          |                                   |
| Blind Administration                           | 4,328,274              | 4,759,500                | 4,874,546                         |
| Services for the Visually Impaired             | 6,637,744              | 6,732,756                | 8,459,151                         |
| Child Support Enforcement and Distributions    |                        |                          |                                   |
| Child Support Field Staff and Operations       | 30,472,338             | 37,276,723               | 42,031,585                        |
| Child Support Distributions                    | 46,129,883             | 47,623,000               | 47,623,000                        |
| TOTAL  | \$ 488,746,388         | \$ 494,612,017           | \$ 504,883,360                    |
| General Revenue Fund                           | 83,798,457             | 85,791,611               | 92,475,932                        |
| Federal Funds                                  | 371,338,142            | 370,069,190              | 371,397,698                       |
| Other Funds                                    | 33,609,789             | 38,751,216               | 41,009,730                        |

## DEPARTMENT OF SOCIAL SERVICES

### FAMILY SUPPORT DIVISION (Continued)

#### ADMINISTRATIVE SERVICES

Administrative Services – Management, coordination, and general direction are provided to all Family Support Division programs. The division director and staff monitor the efficiency and effectiveness of and provide policy direction for Income Maintenance and Child Support programs. Administrative Services also provides financial management and operational services, human resource support, and systems support to Income Maintenance and Child Support Enforcement field staff.

#### Fiscal Year 2008 Governor's Recommendations

- \$202,060 for pay plan, including \$80,815 general revenue.
- \$244,176 and five staff transferred from the Office of Administration for information services, including \$99,673 general revenue.
- (\$88,551) core reduction from the Fiscal Year 2007 appropriation level, including (\$46,932) general revenue.

#### INCOME MAINTENANCE

Income Maintenance - Staff provides intake services, information and referral, and eligibility determinations for applicants of financial services provided by the department. Funds in these sections support the salaries, general operating expenses, and training for Income Maintenance eligibility specialists, administrative and supervisory staff, and clerical support positions in Family Support offices.

Temporary Assistance for Needy Families (TANF) – TANF is a program designed to provide temporary assistance/relief to families to promote self-sufficiency so parents do not remain dependent on welfare payments and children do not grow up in poverty. Under federal welfare reform, TANF was designed to be a temporary assistance which, coupled with a myriad of other support services, would enable parents to find and retain employment; thereby, enabling them to support their families without government assistance. Missouri continues to implement new, innovative programs designed to meet the diverse needs of TANF recipients.

Adult Supplementation – The federal government assumed responsibility for Old Age Assistance, Aid to the Permanently and Totally Disabled, and Aid to the Blind programs in January 1974 when it created the Supplemental Security Income (SSI) Program. Recipients who are eligible for SSI, but who receive smaller benefits than their December 1973 payments, receive payments from the state equal to the difference. Recipients who are not eligible for SSI, but who received payments under one of the earlier programs, receive payments from the state equal to the amount they received in December 1973. The caseload has been declining since 1973 as recipients die, become ineligible through income changes, or leave the state.

Supplemental Nursing Care – This state-funded program makes monthly cash payments to residents of residential care, assisted living, and non-Medicaid nursing facilities. The type of facility appropriate for clients is dictated by their level of need for care. Minimal medical care is provided in Residential Care, more in Assisted Living, and significantly more in Nursing Facilities. Supplemental Nursing Care recipients also are provided an allowance each month for personal needs such as toiletries, transportation, and hair care.

Blind Pension and Supplemental Aid to the Blind – Three separate programs assist blind persons. The first, Supplemental Aid to the Blind, pays benefits to those who meet certain income requirements. The second, Blind Pension, aids the blind that do not qualify for Supplemental Aid to the Blind and who do not own property – excluding homes – worth more than \$20,000. Currently both programs provide a maximum monthly grant of \$541. The third program, Adult Supplemental Payments, aids those who received Aid to the Blind before the federal SSI Program began in 1974, but who receive less from SSI than from the earlier program. New cases that meet the state's 1973 guideline also may be certified for Supplemental Aid to the Blind. All of these programs are funded from an earmarked state property tax that provides revenue to the Blind Pension Fund.

Community Services Block Grant (CSBG), Emergency Shelter Grants, Homeless Funding, and Refugee Assistance – CSBG funds are used to address six causes of poverty: unemployment, inadequate education, malnutrition, inadequate housing, unmet emergency needs, and poor use of income. Federal statutes require that 90 percent of CSBG funding be passed through to Community Action Agencies. The Emergency Shelter Grants Program provides grants to local governments to be used for renovation or conversion of buildings for emergency shelters and to help meet the cost of emergency shelter operations. Homeless Challenge Grants offer local communities matching funds to establish programs to combat homelessness. The Refugee Assistance Program provides services to help refugees overcome language barriers, acquire or adapt vocational skills, and adjust to their new environment.

Food Distribution – The federally funded Food Distribution Program enables Family Support to store, ship, and distribute processed surplus commodity food to eligible individuals, families, charitable institutions, and organizations.

Energy Assistance – The Low-Income Home Energy Assistance Program is a federally funded block grant which provides heating assistance payments and winter and summer crisis assistance to low-income households.



## DEPARTMENT OF SOCIAL SERVICES

### FAMILY SUPPORT DIVISION (Continued)

Domestic Violence – This program provides grants to local communities for family violence shelters or services. Grants may be used for emergency shelters, counseling, and education services for families in community-based shelters.

#### Fiscal Year 2008 Governor's Recommendations

- \$4,000,000 federal funds for nutrition education.
- \$3,000,000 federal funds for work support programs.
- \$1,531,728 other funds to increase the monthly benefit payment to blind pension recipients from \$541 to \$575 per month.
- \$1,500,000 for the MO HealthNet Program.
- \$2,589,307 for pay plan, including \$1,595,597 general revenue.
- (\$9,170,660) core reduction from the Fiscal Year 2007 appropriation level, including (\$3,551,676) general revenue.
- (\$76,798) and (one) staff transferred to the Office of Administration for the statewide consolidation of facility maintenance functions, including (\$58,260) general revenue.
- (\$56,222) and (2.25) staff core reallocation for mailroom consolidation, including (\$51,725) general revenue.

#### SERVICES FOR THE BLIND

Professional staff in Rehabilitation Services for the Blind counsel and train blind and other visually impaired Missourians, arrange for the purchase of other services, and help the visually impaired find jobs. Services include rehabilitation, vocational rehabilitation, diagnosis and treatment of eye disease, equipment and supplies for blind preschool children, the Public Building Vending Program, and the Readers for the Blind Program.

#### Fiscal Year 2008 Governor's Recommendations

- \$1,476,395 federal and other funds for services to the visually impaired.
- \$115,046 for pay plan, including \$25,475 general revenue.
- \$250,000 other funds transferred from the Department of Health and Senior Services for the Blindness Education, Screening, and Treatment (BEST) Program.

#### CHILD SUPPORT ENFORCEMENT AND DISTRIBUTIONS

Child Support Field Staff and Operations – Child Support Enforcement staff, with the assistance of the Missouri Automated Child Support System (MACSS), locate missing parents; establish paternity, medical support, and financial child support obligations; and enforce the collection of support payments for TANF and for participating non-TANF families. The state retains approximately 33 percent of all child support collected on TANF cases.

Local Agreements – This funding supports contractual agreements with local governments to assist the division with paternity and other types of child support referrals through the establishment of multi-county, full-service centers. Counties pool resources to establish service centers dedicated to child support work.

Reimbursement to Counties – This program provides reimbursement to counties that have signed a cooperative agreement with the Department of Social Services. Child support collection and prosecution costs incurred by the counties are reimbursed by the federal government at a rate of 66 percent.

Distribution Pass Through – This appropriation provides a mechanism to disburse payments to families when the payment was collected by the department and to refund some overpayments from federal income tax refund intercepts. This appropriation also provides a mechanism for reimbursing non-custodial parents for child support payments over-collected from state income tax refund intercepts.

#### Fiscal Year 2008 Governor's Recommendations

- \$5,645,819 to replace federal funds to support county reimbursements for child support due to the Federal Deficit Reduction Act.
- \$3,341,889 for increased child support case referrals to prosecuting attorneys, including \$861,679 general revenue.
- \$1,500,000 to enhance medical support efforts for child support recipients, including \$454,642 general revenue.
- \$772,541 for pay plan, including \$96,983 general revenue.
- \$126,396 to implement the Personnel Advisory Board recommendation for repositioning of certain critical employee classifications, including \$42,975 general revenue.
- (\$6,600,182) federal and other funds and (32.5) staff in core reduction from the Fiscal Year 2007 appropriation level.
- (\$31,601) transferred to the Office of Administration for the statewide consolidation of facility maintenance functions, including (\$10,744) general revenue.

**DEPARTMENT OF SOCIAL SERVICES  
CHILDREN'S DIVISION**

**FINANCIAL SUMMARY**

|   | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|---|------------------------|--------------------------|-----------------------------------|
| Children's Administration                   | \$ 6,516,997           | \$ 7,097,593             | \$ 7,210,786                      |
| Children's Field Staff and Operations       | 65,963,951             | 70,752,126               | 72,958,571                        |
| Child Welfare Accreditation                 | 5,840,559              | 7,869,997                | 9,164,381                         |
| Children's Staff Training                   | 1,510,231              | 1,545,691                | 1,545,691                         |
| Children's Treatment Services               | 11,132,153             | 14,042,238               | 13,692,238                        |
| Foster Care                                 | 29,416,986             | 31,735,861               | 31,735,861                        |
| Adoption and Subsidized Guardianship        | 68,709,545             | 72,349,214               | 78,008,883                        |
| Independent Living                          | 2,995,646              | 3,000,000                | 3,000,000                         |
| Transitional Living                         | 2,064,018              | 2,064,018                | 2,064,018                         |
| Children's Programs Pool                    | 18,768,134             | 18,944,251               | 18,944,251                        |
| Child Assessment Centers                    | 1,861,405              | 1,898,952                | 1,898,952                         |
| Residential Treatment Centers               | 73,872,797             | 79,739,210               | 82,748,042                        |
| Performance Based Case Management Contracts | 18,092,013             | 20,399,825               | 20,865,330                        |
| Psychiatric Diversion                       | 15,976,370             | 16,037,734               | 16,037,734                        |
| IV-E Court Contracts                        | 124,588                | 700,000                  | 700,000                           |
| Child Abuse and Neglect Grant               | 188,315                | 188,316                  | 188,316                           |
| Foster Care Children's Account              | 10,554,457             | 12,000,000               | 12,000,000                        |
| Purchase of Child Care                      | 178,328,983            | 191,872,104              | 197,575,945                       |
| Child Welfare Prevention                    | 0                      | 500,000                  | 1,350,000                         |
| <b>TOTAL</b>                                | <b>\$ 511,917,148</b>  | <b>\$ 552,737,130</b>    | <b>\$ 571,688,999</b>             |
| General Revenue Fund                        | 233,492,242            | 248,272,926              | 257,660,409                       |
| Federal Funds                               | 254,000,280            | 277,693,277              | 281,565,122                       |
| Other Funds                                 | 24,424,626             | 26,770,927               | 32,463,468                        |

## DEPARTMENT OF SOCIAL SERVICES

### CHILDREN'S DIVISION (Continued)

Children's Administration – The Children's Division Administrative Services provides management, coordination, and general direction for all Children's Division programs. The division director and staff monitor the effectiveness of programs that promote safety, permanency, and well being for Missouri's children served by the Division. Administrative Services provides policy direction, financial management and operational services, and human resource support to field staff.

CD Field Staff/Child Welfare Accreditation – Provides funding for Children's Service Workers and support staff to support the Children's Division (CD) programs in each of the 45 Judicial Circuits in the state. Front line staff respond to allegations of child abuse or neglect, provide assistance for families in need of services to keep or return children home safely, secure appropriate out of home placements for children placed in the Division's custody, and locate permanent homes when it is in the best interest of children. In addition, the Children's Division is in the process of seeking accreditation by the Council on Accreditation (COA). According to Section 210.113, RSMo, it is the intent and goal of the General Assembly to have the Department (Children's Division) attain accreditation by COA within five years of the effective date of this section (i.e. by August 28, 2009). To achieve accreditation, Missouri's child welfare system is reviewed and measured against nationally-recognized standards of best practice established by COA.

Purchase of Child Care – A key to successful welfare reform and the prevention of abuse and neglect is access to quality, affordable child care. Without child care assistance, many parents could not participate in job training, education, or maintain employment in order to become self-sufficient and end their dependence on government assistance. Without such assistance, the risk of children being left in unsafe environments also increases. The Early Childhood Development, Education and Care Fund supports programs to improve the availability of, and access to, quality child care and programs that prepare children to enter school ready to succeed. Because children learn more from the ages of zero to five than during any other developmental period, the availability of quality child care is essential to preparing children for school.

Children's Treatment Services, Intensive In-Home Services, Crisis Nursery, Teen Crisis Care and Prevention programs – The Children's Treatment Services program provides a variety of contracted services to child abuse victims and their parents. Specific services include family therapy, homemaker services, respite care, parent aides, child care, crisis nursery services, and incentive subsidies to encourage local units of government to develop community programs to combat child abuse and neglect. The Children's Treatment Services also provides funding for intensive, in-home services to help prevent placement of children in foster care and keep children with their families. Prevention programs such as Crisis Nursery, Teen Crisis Care, home visitation, and other prevention programs provide services for families and children to prevent child abuse and neglect (CA/N) and to divert children from the state's custody.

Foster Care, Children's Account, Adoption Subsidy, and Subsidized Guardianship – The Foster Care Program provides monthly room and board payments for children in the custody and care of the Children's Division. Current payment rates for homes of traditional foster parents, relatives, and kinship for age groups are as follows: 0-5 years, \$227; 6-12 years, \$277; and 13 and over, \$307. There are special placements with different rates, including Behavioral or Medical Foster Care (\$657 per month) and Career Foster Care (\$47 per day). Homes may also receive an additional \$100 per month, per child, for attending professional parenting classes. Payments also are made for non-Medicaid medical and dental services, clothing, transportation, foster parent training, and other needs. Children in state custody may receive funds from a variety of sources, including child support payments. These monies are used to offset the cost of maintaining the child in foster care and to pay for any special expenses of the child.

The Adoption Subsidy Program and Subsidized Guardianship Program provide financial assistance to parents who adopt or become legal guardians of special needs children, in order to move these children from foster care into permanent family arrangements.

Residential Treatment, Independent Living, and IV-E Court Contracts – Residential facilities are used when foster care cannot meet the children's treatment needs. The division contracts with a wide range of treatment programs ranging from small group homes to large, self-contained, resident campuses. Facilities must be licensed or be accredited by one of three nationally recognized accrediting organizations. Transitional/Independent Living programs assist foster care children, ages 15 to 21, in learning the necessary skills for the transition from foster care to adult independent living in the community. Court Contracts through the IV-E Program allow the Children's Division to pass through federal funds to be used for reimbursement to juvenile courts for children in the court's custody placed in juvenile court residential facilities.

Performance Based Case Management Contracts – The Children's Division contracts with private agencies to provide case management services to children who have been removed from their homes and are under the jurisdiction of the Juvenile Court. These children have been abused and/or neglected or were found to be at serious risk of such. The goal of the performance based case management contracts is to improve safety, stability and timely permanency for these children.

Children's Programs Pool – This pooled appropriation allows flexible spending for Children's Program areas.

## DEPARTMENT OF SOCIAL SERVICES

### **CHILDREN'S DIVISION (Continued)**

Psychiatric Diversion – This program's primary purpose is to keep children out of expensive inpatient psychiatric hospitals, while providing them with the necessary services to help them deal with their severe behavioral and emotional problems.

Child Assessment Centers – Child Assessment Centers (CACs) provide a child friendly setting where children, reported to have been sexually abused, can be interviewed by multi-disciplinary team members and receive a single medical examination.

### **Fiscal Year 2008 Governor's Recommendations**

- \$5,689,362 Early Child Development, Education and Care Fund to maintain child care eligibility limits at 112 percent of the federal poverty level.
- \$5,659,669 for adoption and guardianship subsidy caseload growth, including \$4,943,995 general revenue.
- \$3,008,832 to fund a rate increase for providers of residential treatment services for abused and neglected children, including \$1,309,938 general revenue.
- \$2,112,676 and six staff to attain national accreditation for the state's Child Welfare Program, including \$1,500,000 general revenue.
- \$250,000 to support crisis nursery care.
- \$2,270,302 for pay plan, including \$1,481,472 general revenue.
- \$306,240 to implement the Personnel Advisory Board recommendation for repositioning of certain critical employee classifications, including \$222,330 general revenue.
- (\$261,584) core reduction for one-time expenditures.
- (\$66,846) transferred to the Office of Administration for the statewide consolidation of facility maintenance functions, including (\$45,740) general revenue.
- (\$13,035) transferred to the Office of Administration for the statewide consolidation of information technology services, including (\$9,480) general revenue.
- (\$3,747) and (.15) staff core reallocation for mailroom consolidation, including (\$3,448) general revenue.

## **DEPARTMENT OF SOCIAL SERVICES**

### **DIVISION OF YOUTH SERVICES**

The Division of Youth Services (DYS) is divided into three functional areas: Management and Development, Residential Services, and Alternative Services.

Management and Development is the central administrative unit with overall responsibility for designing, implementing, managing, and evaluating all programs operated by the division. Five regional offices supplement the efforts of central office staff and assure program efficiency and effectiveness at the local level.

Residential Services provides youthful offenders with structured rehabilitation programs when placement at home is no longer an option. Educational Services, a component of this program area, provides academic and vocational education to youth in residential placement. The division has seven secure facilities: Northwest Regional Youth Center in Jackson County, Hogan Street Youth Center in St. Louis City, Fulton Treatment Center in Callaway County, Mount Vernon Treatment Center in Lawrence County, Hillsboro Treatment Center in Jefferson County, Riverbend Treatment Center in Buchanan County, and Montgomery City Youth Treatment Center in Montgomery County. The division also operates 18 moderately secure facilities and seven community-based facilities.

Alternative Services helps youthful offenders adjust to acceptable norms of behavior. The division provides several types of alternative services: case management and classification; community care which includes day treatment, intensive supervision, and alternative living; aftercare; and the Juvenile Court Diversion Program. Case management and classification involves evaluating youths' needs before they are assigned to one of the division's programs and managing their service delivery plan during their entire length of stay with the division. Community care involves treatment of youth in the community without the youth being placed in a DYS facility. Alternative living purchased by the division includes foster care and proctor care for juveniles who cannot return to their home. Day treatment programs provide education and treatment services for youth who continue to live at home. Intensive supervision provides tracking and mentoring to youth in the community. Aftercare is the provision of counseling and other services to help juveniles return to their families and communities when released from one of the division's facilities. Finally, the Juvenile Court Diversion Program encourages local communities to develop programs to divert youth from commitment to DYS.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$447,440 for safety and security equipment at youth treatment facilities.
- \$1,346,079 for pay plan, including \$1,173,447 general revenue.
- \$1,046,902 reallocated from the Office of the Director for overtime.

**DEPARTMENT OF SOCIAL SERVICES  
DIVISION OF MEDICAL SERVICES**

**FINANCIAL SUMMARY**

|   | FY 2006<br>EXPENDITURE  | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|---|-------------------------|--------------------------|-----------------------------------|
| Administrative Services   | \$ 48,309,868           | \$ 60,229,604            | \$ 101,370,081                    |
| Medicaid Vendor Payments and Managed Care                               | 4,797,672,893           | 4,917,410,146            | 5,291,611,674                     |
| State Medical   | 26,517,542              | 26,375,153               | 27,825,112                        |
| Healthcare Technology Transfer  | 0                       | 25,000,000               | 0                                 |
| Healthcare Technology   | 0                       | 4,600,000                | 4,600,000                         |
| <b>TOTAL</b>  | <b>\$ 4,872,500,303</b> | <b>\$ 5,033,614,903</b>  | <b>\$ 5,425,406,867</b>           |
| General Revenue Fund  | 883,475,442             | 1,032,003,288            | 1,184,509,332                     |
| Title XIX -Federal and Other Funds                                      | 2,387,353,526           | 2,715,843,494            | 2,609,160,061                     |
| DSS - Federal and Other Funds   | 33,513,600              | 42,233,462               | 80,275,481                        |
| Uncompensated Care Fund   | 104,188,560             | 91,000,001               | 91,000,001                        |
| Pharmacy Rebates Fund   | 121,587,294             | 37,506,075               | 37,506,608                        |
| Third Party Liability Collections Fund                                  | 20,471,767              | 23,157,822               | 23,167,824                        |
| Federal Reimbursement Allowance Fund                                    | 954,433,421             | 652,104,148              | 1,004,731,813                     |
| Pharmacy Reimbursement Allowance Fund                                   | 42,251,832              | 24,289,549               | 24,285,259                        |
| Medicaid Managed Care Organization<br>Reimbursement Allowance Fund      | 43,238,423              | 48,989,634               | 46,983,825                        |
| Nursing Facility Federal Reimbursement<br>Allowance Fund                | 203,501,954             | 218,253,564              | 214,021,731                       |
| Nursing Facility Quality of Care Fund                                   | 83,203                  | 86,171                   | 88,449                            |
| Health Initiatives Fund   | 15,912,105              | 20,541,199               | 20,549,789                        |
| Healthy Families Trust Fund   | 0                       | 0                        | 64,779,494                        |
| Healthy Families Trust Fund-Health Care<br>Treatment and Access Account | 50,617,367              | 50,959,100               | 0                                 |
| Life Sciences Research Trust Fund                                       | 0                       | 38,500,000               | 0                                 |
| Missouri Rx Plan Fund   | 2,405,654               | 24,509,456               | 10,709,260                        |
| Premium Fund  | 9,466,155               | 13,637,940               | 13,637,940                        |

**ADMINISTRATIVE SERVICES**

The Division of Medical Services is an intermediary for provision of services to participants, including both recipients and providers. The agency's structure includes two major sections: (1) Finance and Operations and (2) Pharmacy and Clinical Services.

Finance and Operations work to incorporate the newest and best technology to accurately and efficiently pay providers in a paperless environment. Technology is a robust reporting function that is critical to the management responsibilities of the division. The resultant database of paid claims is used to monitor the programs, provide program integrity, and compile data to project financial needs and trends. Provider enrollment and relations, recipient services, and premium collections are also functions under the Finance and Operations section.

The Pharmacy and Clinical Services section oversees pharmacy enhancement and rebates, the exception program, the psychology program, and the Missouri Rx Plan. Program development and the driving force of policy decisions come from the Pharmacy and Clinical Services section, allowing for policy decisions and processes to be oriented to the health and continuum of care needed by participants. The Clinical Services unit reaches out to organizations through existing contracts, such as the University of Missouri Health Management Team, to assist in needed data mining and analysis. This information is used to make informed decisions about the consequences of proposed changes. The process allows for examination and analysis of performance in terms of efficiency of operations and anticipated health status outcomes. Utilizing a variety of sources, the Clinical Services unit establishes best practices based on evidence-based reviews. Missouri collaborates with other state Medicaid agencies to make high-quality evidence available as a basis for making policy decisions about benefit design and coverage.

**Fiscal Year 2008 Governor's Recommendations**

- \$34,940,000 federal funds for the new Medicaid Management Information System (MMIS).
- \$5,000,000 for the MO HealthNet Program, including \$2,500,000 general revenue.
- \$500,000 for expansion of the current Fraud and Abuse Detection System, including \$250,000 general revenue.

**DEPARTMENT OF SOCIAL SERVICES  
DIVISION OF MEDICAL SERVICES**

**ADMINISTRATIVE SERVICES (Continued)**

- \$415,000 to complete an actuarial study for expansion of the managed care program to contiguous counties, including \$207,500 general revenue.
- \$300,470 for pay plan, including \$109,837 general revenue.
- (\$25,000,000) core reduction for one-time expenditures for the Healthcare Technology Fund transfer.
- (\$14,993) and (.60) staff core reallocation for mailroom consolidation from the Fiscal Year 2007 appropriation level, including (\$13,793) general revenue.

**MEDICAID VENDOR PAYMENTS AND MANAGED CARE**

The Medicaid Program (Title XIX of the Social Security Act) is a federal-state effort to pay the health care of those who cannot pay for their own care. Federal law sets the minimum provisions for any state that opts to administer a Medicaid Program. These include hospital; physician; Early and Periodic Screening, Diagnostic and Treatment (EPSDT); lab and x-ray; skilled nursing home care; home health care; Federally Qualified Health Centers; rural health clinics; non-emergency transportation; and family planning services.

The 1115 Waiver is a federal-state effort to pay for women's health services and for the health care of uninsured children above existing Medicaid eligibility limits up to 300 percent of poverty. Children will receive a benefit package equal to Medicaid coverage without non-emergency medical transportation.

The State Medical Program allows individuals who do not meet categorical eligibility criteria for Title XIX to receive nearly all of the same services which are reimbursed for Title XIX eligibles, including non-institutional, nursing facility, and hospital care. These individuals include Child Welfare Services, Blind Pension, Presumptive Eligibility for Pregnant Women recipients, and youth in the custody of the Division of Youth Services.

The Medicaid Services Fiscal Year 2008 budget also includes \$4,950,000 of core funding and an additional \$13,160,000 of healthcare technology funds for the MMIS Modernization project, FQHC health information technology, electronic medical records, and other healthcare technology projects. A \$270,000,000 FRA transfer expansion for both the general revenue and the federal reimbursement allowance fund line items is recommended to align the budget authority with anticipated expenditures.

**MEDICAID EXPENDITURES  
SELECTED SERVICES AND ANNUAL TOTALS**

|   | FY 2006<br>EXPENDITURE  | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|---|-------------------------|--------------------------|-----------------------------------|
| Missouri Rx Plan  | \$ 2,405,654            | \$ 19,602,166            | \$ 19,952,166                     |
| Pharmacy  | 901,233,438             | 663,627,151              | 738,927,191                       |
| Pharmacy-Medicare Part D-Clawback                         | 87,628,920              | 495,273,609              | 196,269,135                       |
| Physicians  | 378,895,344             | 421,283,001              | 484,633,121                       |
| Dental  | 10,207,150              | 9,362,981                | 10,163,381                        |
| Premium Payments  | 120,675,446             | 146,129,677              | 153,556,238                       |
| Nursing Facilities and Home Health                        | 434,712,159             | 508,474,531              | 533,523,539                       |
| Rehabilitation and Specialty Services                     | 140,714,795             | 172,461,591              | 175,767,031                       |
| Managed Care  | 838,128,836             | 911,897,488              | 999,330,249                       |
| Hospital Care   | 654,522,764             | 692,061,568              | 692,439,555                       |
| Safety Net Hospitals                                      | 5,123,586               | 23,000,000               | 23,000,000                        |
| FRA, NFFRA, and UCC                                       | 914,970,803             | 627,000,000              | 990,840,231                       |
| Health Care Access  | 2,097,034               | 2,594,128                | 3,341,113                         |
| Children's Health Insurance Program                       | 114,192,734             | 146,574,262              | 165,330,731                       |
| Department of Elementary and Secondary Education Services | 35,975,596              | 33,369,908               | 33,369,908                        |
| Medicaid Supplemental Pool                                | 148,428,634             | 35,698,085               | 35,698,085                        |
| Other Medicaid  | 7,760,000               | 9,000,000                | 35,470,000                        |
| <b>Total</b>  | <b>\$ 4,797,672,893</b> | <b>\$ 4,917,410,146</b>  | <b>\$ 5,291,611,674</b>           |

**DEPARTMENT OF SOCIAL SERVICES  
DIVISION OF MEDICAL SERVICES**

**MEDICAID VENDOR PAYMENTS AND MANAGED CARE (Continued)**

**Fiscal Year 2008 Governor's Recommendations**

- \$367,000,000 other funds to align the hospital budget authority for the federal reimbursement allowance with anticipated expenditures.
- \$137,237,460 for the MO HealthNet Program, including \$50,428,999 general revenue.
- \$76,419,939 to address the anticipated increases in the Pharmacy Program due to new drugs, therapies, utilization, and inflation, including \$28,724,330 general revenue.
- \$72,756,445 to apply an 11 percent pharmacy trend factor and an 8 percent non-pharmacy trend factor for both utilization and cost component increases for managed care in the eastern, central, and western regions, including \$26,925,817 general revenue.
- \$38,500,000 for the Pharmacy Program to replace the Life Sciences Research Trust Fund.
- \$26,470,000 for a nursing facility per diem rate increase, including \$10,000,000 general revenue.
- \$20,617,580 to replace federal earnings lost due to the Centers for Medicare and Medicaid Services (CMS) decision to reduce the provider tax cap from 6 percent to 5.5 percent.
- \$13,223,373 for an adjustment to address the change in the Medicaid federal participation percentage, including \$1,194,597 general revenue.
- \$11,469,134 for the anticipated increase in dual eligibles and the anticipated increase in the Clawback assessment as calculated by the CMS.
- \$7,426,561 for anticipated increases in Medicare Part A and B premiums, including \$2,805,391 general revenue.
- \$2,739,487 for an inflation cost and utilization increase to the non-emergency medical transportation rate, including \$729,090 general revenue.
- \$521,786 for anticipated increases to Medicare hospice rates, including \$197,131 general revenue.
- \$350,000 to fund the Missouri Rx Plan Advisory Commission.
- \$105,080 for a \$.50 rate increase for in-home direct care workers, including \$39,699 general revenue.
- (\$310,473,608) federal funds core reduction to align the Clawback budget authority with anticipated expenditures.
- (\$38,500,000) Life Sciences Research Trust Fund core reduction in the Pharmacy Program.
- (\$20,617,580) other funds core reduction of provider tax funding lost due to the CMS decision to reduce the provider tax cap from 6 percent to 5.5 percent.
- (\$13,223,373) core reduction to adjust for the change in the Medicaid federal participation percentage, including (\$12,028,776) general revenue.
- (\$13,121,269) core reduction of funds for employed disabled medical assistance, including (\$4,957,215) general revenue.
- (\$4,349,487) core reduction due to an increase in the nursing facility patient surplus, including (\$1,643,236) general revenue.
- (\$350,000) core reduction for one-time expenditures.

**STATE MEDICAL**

**Fiscal Year 2008 Governor's Recommendations**

- \$873,415 to address the rising costs in the Pharmacy Program due to new drugs, therapies, utilization, and inflation.
- \$576,544 for the MO HealthNet Program.



# DEPARTMENT OF TRANSPORTATION

## FINANCIAL SUMMARY

|   | FY 2006<br>EXPENDITURE  | FY 2007<br>APPROPRIATION | FY 2008<br>REQUEST      | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|---|-------------------------|--------------------------|-------------------------|-----------------------------------|
| Highway Administration                  | \$ 23,902,470           | \$ 27,768,932            | \$ 27,768,932           | \$ 28,404,157                     |
| Fringe Benefits                         | 135,651,894             | 148,005,954              | 150,675,516             | 150,675,516                       |
| Fleet, Facilities & Information Systems | 91,794,140              | 103,358,870              | 103,334,126             | 103,815,605                       |
| System Management                       | 338,426,459             | 352,296,810              | 354,785,822             | 359,225,787                       |
| Highway Construction                    | 1,444,023,377           | 1,932,398,972            | 1,524,819,973           | 1,527,456,441                     |
| Multimodal Operations and Programs      | 60,858,089              | 57,630,810               | 72,843,810              | 63,796,245                        |
| <b>DEPARTMENTAL TOTAL</b>               | <b>\$ 2,094,656,429</b> | <b>\$ 2,621,460,348</b>  | <b>\$ 2,234,228,179</b> | <b>\$ 2,233,373,751</b>           |
| General Revenue Fund                    | 11,476,821              | 11,859,321               | 21,509,321              | 12,409,321                        |
| Federal Funds                           | 67,253,324              | 53,751,383               | 59,705,417              | 59,729,150                        |
| Motorcycle Safety Trust Fund            | 324,570                 | 325,000                  | 400,000                 | 400,000                           |
| Grade Crossing Safety Account           | 391,517                 | 1,500,000                | 1,500,000               | 1,500,000                         |
| State Road Bond Fund                    | 22,005,671              | 64,983,000               | 81,029,000              | 81,029,000                        |
| State Road Fund                         | 1,986,037,167           | 2,480,873,573            | 2,060,322,522           | 2,068,514,558                     |
| Railroad Expense Fund                   | 680,099                 | 759,973                  | 790,062                 | 802,143                           |
| State Transportation Fund               | 2,920,558               | 2,664,753                | 2,680,837               | 2,685,044                         |
| Light Rail Safety Fund                  | 0                       | 1                        | 1                       | 1                                 |
| State Transportation Assistance         |                         |                          |                         |                                   |
| Revolving Fund                          | 0                       | 550,000                  | 550,000                 | 550,000                           |
| Aviation Trust Fund                     | 3,566,702               | 4,193,344                | 5,741,019               | 5,754,534                         |
| <b>Full-time equivalent employees</b>   | <b>7,069.21</b>         | <b>7,005.95</b>          | <b>7,005.95</b>         | <b>7,005.95</b>                   |

## DEPARTMENT SUMMARY

Governor Blunt's Fiscal Year 2008 budget provides a total of \$2.2 billion for the Department of Transportation. The department is responsible for overseeing all aspects of Missouri's transportation system. The core functions of the Department of Transportation include:

- Constructing and maintaining the state road and bridge system – a key component of state safety and economic development efforts.
- Encouraging safety on Missouri highways for citizens and Department of Transportation employees.
- Providing capital improvement and operating assistance grants for rural and urban transit systems, public airports, ports, ferry boats, and passenger rail service.
- Registering commercial motor vehicles.

## **DEPARTMENT OF TRANSPORTATION**

### **HIGHWAY ADMINISTRATION**

This program area supports the operations of the Highways and Transportation Commission, as well as the centralized functions of the department such as accounting, risk management, financial planning, governmental relations, community relations, and human resource management. Also included in this section is the Audits and Investigations Division, which emphasizes the values of accountability and integrity in department operations.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$635,225 State Road Fund for pay plan.

### **FRINGE BENEFITS**

This represents the cost of providing medical and life insurance, retirement benefits, and workers' compensation for all Department of Transportation employees that are members of the Highway Employees and Highway Patrol Retirement System.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$6,309,594 federal and other funds for increased fringe benefit costs.
- (\$3,640,032) federal and other funds core reduction from the Fiscal Year 2007 appropriation level.

### **FLEET, FACILITIES & INFORMATION SYSTEMS**

This program area supports the general services and information systems divisions. The General Services Division provides fleet and facilities management, procurement, and other services to the department. The Information Systems Division delivers information technology solutions, services and support through a planned approach that is consistent with the department's mission and values. The Information Systems Division continually strives to advance the information technology systems that MoDOT users depend upon on a daily basis and in doing so helps to significantly improve the efficient day-to-day operations of the department.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$481,479 State Road Fund for pay plan.
- (\$24,744) State Road Fund and (.5) staff reallocated to Multimodal Operations Administration.

### **SYSTEM MANAGEMENT**

This program area supports the cost of maintaining the state road system, public rest areas, and weigh stations. Examples include road and shoulder repair, bridge repair and painting, snow and ice removal, traffic signal and sign maintenance, and right-of-way mowing to protect the state's transportation infrastructure and improve safety on Missouri roadways. Also included are motorist assistance, highway safety programs, and oversight of commercial motor vehicles throughout the state.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$2,000,000 federal funds for the Highway Safety Grant Program.
- \$414,012 State Road Fund for implementation of Phase Two of a job equity plan.
- \$75,000 Motorcycle Safety Trust Fund for the Motorcycle Safety Training Program.
- \$4,439,965 federal and other funds for pay plan.

### **HIGHWAY CONSTRUCTION**

This program area supports the state road construction program and such activities as land acquisition, contracting for road and bridge construction, monitoring of construction programs, and transportation enhancement activities.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$403,000,000 State Road Fund-Series A 2007 to utilize bond proceeds for road and bridge projects.
- \$16,046,000 State Road Fund for debt service on outstanding road bonds.
- \$5,700,000 State Road Fund for transportation enhancement projects.
- \$2,636,468 State Road Fund for pay plan.
- (\$832,324,999) other funds core reduction from the Fiscal Year 2007 appropriation level.

**DEPARTMENT OF TRANSPORTATION  
MULTIMODAL OPERATIONS AND PROGRAMS**

**FINANCIAL SUMMARY**

|   | FY 2006<br>EXPENDITURE | FY 2007<br>APPROPRIATION | GOVERNOR<br>RECOMMENDS<br>FY 2008 |
|---|------------------------|--------------------------|-----------------------------------|
| Multimodal Operations   | \$ 5,874,814           | \$ 7,437,104             | \$ 7,402,509                      |
| Transit Programs  |                        |                          |                                   |
| Capital Assistance for Transportation of<br>Elderly and Disabled Citizens     | 3,741,458              | 2,052,292                | 2,175,000                         |
| New Freedom Transit Program   | 0                      | 300,000                  | 600,000                           |
| State Aid for Transportation of Elderly,<br>Disabled, and Low-Income Citizens | 2,859,918              | 2,943,732                | 2,943,732                         |
| Small Urbanized Transit Assistance  | 0                      | 1                        | 1                                 |
| Small Urban and Rural Transportation Program                                  | 9,074,302              | 7,672,678                | 8,130,000                         |
| Job Access and Reverse Commute Transit Grants                                 | 0                      | 500,000                  | 1,200,000                         |
| Public Transit Capital Grants   | 6,349,685              | 8,000,000                | 8,480,000                         |
| Transit Planning Grants   | 5,217,669              | 5,500,000                | 5,830,000                         |
| Railroad Programs   |                        |                          |                                   |
| Local Rail Freight Assistance Program   | 0                      | 1                        | 1                                 |
| State Passenger Rail Assistance and<br>Station Improvements                   | 6,200,871              | 6,625,000                | 7,425,000                         |
| Rail Equipment  | 0                      | 1                        | 1                                 |
| Light Rail Safety   | 0                      | 1                        | 1                                 |
| Railroad Grade Crossing Safety  | 391,517                | 1,500,000                | 1,500,000                         |
| Aviation Programs   |                        |                          |                                   |
| State Aid to Airports/Federal Aviation Assistance                             | 20,047,855             | 14,500,000               | 17,500,000                        |
| Waterways Programs  |                        |                          |                                   |
| State Aid to Port Authorities   | 1,100,000              | 600,000                  | 610,000                           |
| TOTAL   | \$ 60,858,089          | \$ 57,630,810            | \$ 63,796,245                     |
| General Revenue Fund  | 11,392,793             | 11,859,321               | 12,409,321                        |
| Federal Funds   | 42,005,392             | 35,951,560               | 39,910,373                        |
| Grade Crossing Safety Account   | 391,517                | 1,500,000                | 1,500,000                         |
| State Road Fund   | 147,165                | 469,152                  | 537,028                           |
| Other Funds   | 6,921,222              | 7,850,777                | 9,439,523                         |
| Full-time equivalent employees  | 33.12                  | 36.00                    | 36.50                             |

## **DEPARTMENT OF TRANSPORTATION**

### **MULTIMODAL OPERATIONS AND PROGRAMS (Continued)**

#### **MULTIMODAL OPERATIONS**

This program area supports non-highway programs, including aviation, transit, rail, and waterways. The transit section provides financial and technical assistance to public transit and specialized transit providers across the state. This function is carried out through the administration of state and federal programs related to general public transportation, as well as specific transit programs for agencies serving senior citizens and/or persons with disabilities.

The rail section is responsible for regulating and improving freight rail services, passenger rail service, rail safety outreach, light rail safety, rail/highway construction and railroad/highway grade crossing safety. The rail division also prepares and implements a state rail plan and administers federal funds to increase safety at railroad crossings.

The aviation section oversees state and federal funding programs for airport maintenance and capital improvement projects. This section is also responsible for airport safety inspections, maintaining the state airport systems plan, and working with local governments to secure federal aviation funding.

The waterways section assists cities and counties in forming port authorities that foster local economic growth. It also provides technical assistance and capital and administrative funding to assist with port operations.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$138,226 federal and other funds for implementation of Phase Two of a job equity plan.
- \$52,435 federal and other funds for pay plan.
- \$24,744 State Road Fund and .5 staff reallocated from Fleet, Facilities & Information Systems.
- (\$250,000) core reduction of one-time expenditures.

#### **CAPITAL ASSISTANCE FOR TRANSPORTATION OF ELDERLY AND DISABLED CITIZENS**

The transit section administers the federal Section 5310 program that provides assistance to local not-for-profit transportation providers and public entities serving the elderly and people with disabilities. These entities use the federal funds to match local funds for purchasing vehicles.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$122,708 federal funds for Capital Improvement Grants for Elderly and Handicapped Transportation.

#### **NEW FREEDOM TRANSIT PROGRAM**

Federal funds available through the Section 5317 program assist transit agencies and non-profit organizations in providing mobility services beyond those services required in the Americans with Disabilities Act (ADA). These federal funds can be used to offset up to 50 percent of operating losses and up to 80 percent of planning and capital expenses.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$300,000 federal funds for the New Freedom Transit Program.

#### **STATE AID FOR TRANSPORTATION OF ELDERLY, DISABLED, AND LOW-INCOME CITIZENS**

The Missouri Elderly and Handicapped Transportation Assistance Program provides operating assistance for not-for-profit transportation providers serving elderly and disabled Missourians. State funds are used to match local, private, and federal funds available to these providers.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

## **DEPARTMENT OF TRANSPORTATION**

### **MULTIMODAL OPERATIONS AND PROGRAMS (Continued)**

#### **SMALL URBANIZED TRANSIT ASSISTANCE**

The federal Section 5307 program provides operating and capital assistance to public transportation systems in cities with populations between 50,000 and 200,000. These federal funds can be used as an offset for up to 50 percent of operating losses and up to 80 percent of capital expenses such as vehicle and equipment purchases.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

#### **SMALL URBAN AND RURAL TRANSPORTATION PROGRAM**

Federal funds authorized under Section 5311 are used to assist small urban and rural areas with a population less than 50,000. These federal funds can be used to offset up to 50 percent of operating losses/administrative expenses and up to 80 percent of planning as well as capital expenses such as vehicle and equipment purchases.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$457,322 federal funds for Small Urban & Rural Transportation Grants.

#### **JOB ACCESS AND REVERSE COMMUTE TRANSIT GRANTS**

Federal funds available through the Section 5316 program assist transit agencies in providing additional services to address work-related transportation needs. These federal funds can be used to offset up to 50 percent of operating losses and up to 80 percent of planning and capital expenses.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$700,000 federal funds for welfare-to-work transportation services.

#### **PUBLIC TRANSIT CAPITAL GRANTS**

The federal Section 5309 program provides financial assistance to rural and urban transit operators. These funds can be used to purchase buses and bus-related facilities and equipment.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$480,000 federal funds for National Discretionary Capital Grants.

#### **TRANSIT PLANNING GRANTS**

Federal funds available through the Section 5303 program support metropolitan transit planning activities in seven metropolitan areas – St. Louis, Kansas City, Springfield, Columbia, St. Joseph, Joplin, and Jefferson City. This program provides demographic forecasting, corridor studies, transit service analysis, route and schedule evaluation, financial capacity analysis, special needs investigations, and transit management studies in those areas.

#### **Fiscal Year 2008 Governor's Recommendations**

- \$330,000 federal funds for financial assistance to metropolitan planning organizations.

#### **LOCAL RAIL FREIGHT ASSISTANCE PROGRAM**

This program distributes federal financial assistance for rail facility acquisition, rehabilitation, improvement, or construction. Program activities are contingent upon the availability of federal funding through Section 5 of the Department of Transportation Act.

#### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

## **DEPARTMENT OF TRANSPORTATION**

### **MULTIMODAL OPERATIONS AND PROGRAMS (Continued)**

#### **STATE PASSENGER RAIL ASSISTANCE AND STATION IMPROVEMENTS**

Through the state Passenger Rail Assistance Program, Missourians are able to enjoy the benefits of rail service between Kansas City and St. Louis, with stops at various cities along the route. The state pays for the direct costs of running the twice-daily train route and provides small amounts of funding for station improvements to cities that own train stations.

##### **Fiscal Year 2008 Governor's Recommendations**

- \$800,000 general revenue to continue twice-daily passenger rail service across the state.

#### **RAIL EQUIPMENT**

As the federal government considers a nationwide system of high-speed rail transportation, federal funds may become available to states. Missouri participates as needed in the planning process for a future Midwest Rail High-Speed Network.

##### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

#### **LIGHT RAIL SAFETY**

This program provides staff to oversee safety issues and investigate accidents involving the light rail system. The light rail operator bears the cost of this program by reimbursing the state for its services.

##### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

#### **RAILROAD GRADE CROSSING SAFETY**

This program provides state and federal funding to complete projects improving the safety of railroad grade crossings. The state funds come from a fee assessed on each motor vehicle at the time of motor vehicle licensing.

##### **Fiscal Year 2008 Governor's Recommendations**

Continue funding at the current level.

#### **STATE AID TO AIRPORTS/FEDERAL AVIATION ASSISTANCE**

This program uses state and federal funds for airport capital improvements; maintenance of runways, taxiways, and aprons; and for emergency repairs on safety-related items. The state portion of these projects is funded from the Aviation Trust Fund, which receives the use tax collected on aviation fuel.

##### **Fiscal Year 2008 Governor's Recommendations**

- \$3,000,000 federal and other funds for state aid and assistance to airports.

#### **STATE AID TO PORT AUTHORITIES**

This program provides a limited amount of funding to local port authorities for administration, planning, and development activities. The active port authorities in Missouri are the Howard/Cooper County Regional Port Authority; Jefferson County Port Authority; Pemiscot County Port Authority; Southeast Missouri Regional Port Authority; Mississippi County Port Authority; New Madrid County Port Authority; New Bourbon Port Authority; St. Joseph Regional Port Authority; Lewis County-Canton Missouri Port Authority; Marion County Port Authority; Mid America Port Commission and the Ports of Kansas City, St. Louis, and St. Louis County.

##### **Fiscal Year 2008 Governor's Recommendations**

- \$10,000 State Road Fund for ferry boat operating assistance.